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H.R. 1956 AND H.R. 2019, BENEFITS TO FEDERAL EMPLOYEES WHO ARE VICTIMS OF TERRORISM

HF84

JOINT HEARINGS

BEFORE THE

SUBCOMMITTEE ON CIVIL SERVICE

AND THE

SUBCOMMITTEE ON
COMPENSATION AND EMPLOYEE BENEFITS

OF THE

COMMITTEE ON
POST OFFICE AND CIVIL SERVICE

AND THE

SUBCOMMITTEE ON INTERNATIONAL OPERATIONS

OF THE

COMMITTEE ON FOREIGN AFFAIRS
HOUSE OF REPRESENTATIVES

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H.R. 1956 AND H.R. 2019, BENEFITS TO FEDERAL GOVERNMENT EMPLOYEES WHO ARE VICTIMS OF TERRORISM

WEDNESDAY, JUNE 12, 1985

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON CIVIL SERVICE AND SUBCOMMITTEE ON COMPENSATION AND EMPLOYEE BENEFITS OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE AND SUBCOMMITTEE ON INTERNATIONAL OPERATIONS OF THE COMMITTEE ON FOREIGN AFFAIRS,

Washington, DC.

The subcommittees met, pursuant to call, at 9:35 a.m., in room 311, Cannon House Office Building, Hon. Patricia Schroeder presiding.

STATEMENT OF HON. PATRICIA SCHROEDER, CHAIRWOMAN, SUBCOMMITTEE ON CIVIL SERVICE

Mrs. SCHROEDER. I would like to welcome my colleagues and our witnesses to the first of two hearings on legislation to provide benefits to Federal Government employees who are victims of terrorism.

It's a sad, horrible fact that people working for the American Government are sometimes considered prime targets for terrorists, political extremists, drug dealers, and kooks.

Joseph Reed, writing in the March 26, 1985, Wall Street Journal, recited a chilling litany: "In the past 2 years, three embassies have been obliterated, 19 U.S. diplomats assassinated and 59 others have been the victims of terrorist attack."

And a State Department employee recently wrote to me "[g]overnment employees overseas, regardless of agency and whether they work in Africa, the Middle East, South America, or Paris, are terrorism targets purely because they are Government employees. Carrying a diplomatic or official passport can be an automatic death warrant." The murder of two AID accountants on a hijacked Kuwaiti plane in Teheran last December, and the kidnap and murder of DEA agent Enrique Camarena Salazar are two of the latest incidents where Americans have been kidnaped or killed because they work for the U.S. Government.

While many of the most well-known recent incidents have been directed against Americans working abroad, law enforcement personnel in the United States have also been targets. For example, in 1981, a gunman held 12 FBI employees in Atlanta hostage for several hours. Threats against FBI and Drug Enforcement Adminis-

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tration employees have increased dramatically within the past year.

To my shock, when OMB cleared the testimony of the administration witnesses, it directed that references to providing compensation to employees injured in the United States be removed. In fact, after the OMB surgeons operated on the testimony of the FBI, they had done a nearly complete amputation—there was nothing left. The FBI had to excuse themselves from testifying because they had nothing left to say.

The least OMB could do is to tell us why they oppose coverage of employees at home, rather that trying to excise any reference from the record.

We know that something has to be done to protect our people from terrorism. The Foreign Affairs Committee has been pushing the administration to better secure our embassies and to increase our vigilence against those who would do us harm. Yet, because terrorists strike without warning and in unpredictable ways, there is often little we can do until after the fact.

In the two bills under consideration today, we have tried to develop a package of benefits to meet the needs of Government employees who are victims of terrorism. We realize that employees are not the only ones threatened by terrorism, and we have provided benefits for family members, for contractors of the Federal Government, and for foreign service nationals employed by the United States.

Yet, we should consider whether we can do it better. The interest on payroll and medical and educational benefits are picked up from the Hostage Relief Act of 1980 (Public Law 96-449), which in turn were derived from benefits provided to prisoners of war. I wonder if we ought to consider a different set of benefits for civilian employees who, in taking their jobs, do not assume the risks of soldiers.

We can't possibly legislate relief for all types of terrorist acts. But we can provide general authority to be used to provide relief when necessary. And we should establish permanent law on this subject, so we don't need to legislate on an ad hoc, urgent basis as we did in 1980.

I have attached to my statement a comparison of H.R. 1956 and H.R. 2019.

[The comparison follows:]

COMPARISON OF H.R. 1956 AND H.R. 2019

H.R. 1956 was introduced by Mr. Mica at the request of the State Department. H.R. 2019 was introduced by Mrs. Schroeder. Both bills provide educational, medical, and other benefits for federal employees who are kidnapped or held captive as a result of hostile action directed against the United States; the benefits are also available fo family members of captives. The major differences between the two bills are as follows:

Format.—H.R. 1956 makes permanent the Hostage Relief Act of 1980 (P.L. 96-449). H.R. 2019 amends title 5, United States Code.

Coverage.—H.R. 1956 applies only to hostile action abroad, while H.R. 2019 covers captive situations that occur abroad or within the United States.

H.R. 1956 includes within the definition of American hostage members of the uniformed services. H.R. 2019 does not cover members of the armed forces.

Pay allotment.—H.R. 1956 requires that an employee be held captive for at least 30 days before an allotment of pay into an interest-bearing savings fund can be made. H.R. 2019 has no waiting period.

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Medical and educational benefits.—H.R. 2019 requires that medical and educational benefits be paid to family members and to employees who are victims of terrorism. H.R. 1956 makes payment discretionary.

Payment to Iranian hostages.—H.R. 1956 authorizes the President, in his discretion, to make payment to the Iranian hostages and others taken captive since that time. H.R. 2019 requires the President to make a cash payment to these individuals, leaving only the amount of the payment to the President's discretion.

Tax provisions.—H.R. 1956 repeals certain tax provisions in the Hostage Relief Act of 1980. H.R. 2019 contains no tax provisions.

Compensation for disability or death of family members or Foreign Service nationals.—H.R. 2019 authorizes agencies to pay compensation to family members of employees or individuals performing personal service to the United States who are disabled or killed as a result of hostile action against the United States. The amount of compensation will be offset by any similar benefits provided locally, if the local benefits are funded wholly or in part by the United States. Finally, this section authorizes up to one year's leave with pay for an employee to recuperate from injuries resulting from terrorist action. H.R. 1956 has no comparable provisions.

STATEMENT OF CONGRESSWOMAN MARY ROSE OAKAR, CHAIR, SUBCOMMITTEE ON COMPENSATION AND EMPLOYEE BENEFITS

Ms. OAKAR. I am pleased to cochair this hearing on H.R. 2019 and H.R. 1956 this morning with my colleagues, Congresswoman Pat Schroeder, chair of the Subcommittee on Civil Service of the House Post Office and Civil Service Committee; and Congressman Dan Mica, chair of the Subcommittee on International Operations of the House Foreign Affairs Committee.

As you may recall, the Hostage Relief Act of 1980 was enacted in response to the taking of American hostages in Iran. Unfortunately, this act was only temporary and, moreover, certain of its provisions have never been carried out by the administration. H.R. 2019, which was introduced by Congresswoman Schroeder and H.R. 1956 introduced by Congressman Mica, would expand and improve upon the benefits provided by the Hostage Relief Act to Federal employees who become victims of Hostile action directed against the United States.

Among its many worthwhile provisons, H.R. 2019 would direct that a hostage's pay be deposited in an interest-bearing savings fund and that captives and their families be compensated for medical and health care, as well as psychological counseling. Certainly, such benefits should be provided to Government workers who suffer the physcial and mental strain of being held hostage and of facing a violent death at any moment.

It is a sad commentary but, nevertheless, true. U.S. Government employees and their dependents are considered easy prey by political terrorists who seek to influence American governmental policies and decisions. Furthermore, while most attacks have been aimed at Americans working abroad, more assaults are evidently being plotted against high governmental officials here in the United States.

While such tactics are repugnant and should be denounced and actively discouraged by every nation, state-sponsored terrorism continues, disrupting peace and stability in the world. Terrorists have resorted to murder and torture to seek political gain. We must do everything within our power to stop such vicious activities, and we must never forget the needs of those who suffer the horrors of terrorism.

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Threats to our Government workers come from many sources. We are now faced with "Narco-Terrorists"—those drug dealers and smugglers who are striking at U.S. Government officials and citizens.

In 1984, Robert Lathan, a Customs inspector from Texas, was brutally murdered in a Mexican-American border incident involving fleeing criminals. Just a few months ago, U.S. drug enforcement agent, Enrique Salazar, was kidnaped and murdered while trying to halt the flow of illegal drugs from Mexico into the United States. Clearly, border surveillance, drug searches and undercover investigations conducted by Government employees are extremely dangerous duties which also make these women and men prime targets of terrorism.

The goal of the U.S. Government is to permanently end terrorism. But until this goal is achieved, our Government employees who are captured and tortured, and the families of those killed, must be properly compensated for their heroism and sacrifice for our country.

The tragic deaths of these Government employees are, unfortunately, only two of the many casualties of international terrorism. In their ill-fated and reckless attempts to influnece American policies, terrorists have destroyed the American Embassy in Beirut, Lebanon, and have attempted to bomb our Embassy in Bogota, Columbia.

Sad as it is to say, certain Government employees perform duties in extremely hazardous conditions and, sometimes, pay the ultimate price to enforce the laws of our Nation. It is time that we exercise our moral responsibility and provide the proper benefits to those Federal employees whose lives are placed in jeopardy by international terrorism. We must remember and provide for the victims and families of such heinous crimes.

Mrs. SCHROEDER. Mr. Myers, do you have an opening statement?

Mr. MYERS. Madam Chair, I have no statement to put in the record or opening statement to make except to welcome the witnesses here. It is their opportunity here to tell the Congress what they think. I know the first witness here, Secretary Spiers, tells Congress; he tells me quite often where to go. Maybe this is our chance to get back. Thank you for coming.

Mrs. SCHROEDER. Congressman Dymally, do you have an opening statement?

Mr. DYMALLY. No.

Mrs. SCHROEDER. As other members come in, we will put their statements in the record.

I would like to welcome the witnesses. We are very, very pleased to have you. Mr. Spiers, we will allow you, as the Under Secretary for Management of the U.S. Department of State, to lead off. Would you care to introduce those with you?

Mr. SPIERS. Yes, thank you, Madam Chairwoman.

I have a statement that I would like to submit for the record.

Mrs. SCHROEDER. Without objection.

Mr. SPIERS. Perhaps I can go through a shortened version of it.

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STATEMENT OF RONALD I. SPIERS, UNDER SECRETARY OF STATE FOR MANAGEMENT, ACCOMPANIED BY HERMAN COHEN, ROBERT HULL, AND GENE MALMBORG

Mr. SPIERS. We from the Department of State welcome the opportunity to testify today on hostage relief.

With me are Ambassador Herman Cohen on my right, who is the senior deputy assistant secretary for personnel; on his right, Robert Hull, who is our expert in the area under discussion and a participant in development of the Hostage Relief Act of 1980; on my left, Gene Malmborg, assistant legal adviser for management. Mr. Ernest Ruehle, director of our office of Foreign Service national personnel, is also available to answer questions in this area.

The administration strongly supports enactment of permanent legislation in this important matter. The problem of international terrorism is a serious one. Last year alone, there were 64 acts of terrorism against the United States, including bombings, murders, and kidnapings. Even more alarming, some states now use terrorism as an instrument of national policy. This means that U.S. employment abroad can be extremely hazardous. Even now, one of our employees is being held hostage in Lebanon. We need this legislation to protect his and the interests of others in similar circumstances.

Our employees and their families' morale will be buttressed by knowledge that they will be provided for should they become a victim. More fundamentally, I believe the United States has a moral obligation to its employees which should be met.

The administration favors enabling legislation that would allow quick response to different situations and tailoring to specific circumstances. H.R. 2019 and H.R. 1956 both go far to meet that goal, although they do have differences. H.R. 2019 does not cover members of the Armed Forces. H.R. 1956 does, as did the Hostage Relief Act of 1980.

We believe that all civilians and military personnel of our embassies should be treated equally.

H.R. 2019 would apply to terrorist actions in the United States, unlike H.R. 1956. The administration objects to such expansion of coverage as premature and feels that broadening the bill in this way will unduly complicate expeditious passage.

Both bills would provide medical and educational benefits and would grant relief from civil law proceedings to hostages and their families. Both bills provide sensible precautions to prevent unnecessary or duplicative benefits.

Most hostage medical expenses are now covered except for those incurred by family members in the United States. Some family members suffer a severe trauma caused by the long imprisonment of loved ones. Medical expenses incurred because of some trauma should be covered, in our judgment.

The education provisions would authorize payment of a child's college expenses, the training expenses of a spouse who wished to reenter the labor market, and in some cases training for former hostages to enter another profession if they cannot again face the dangers of working abroad.

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Extensive of applicable provisions of the Soldiers and Sailors Civil Relief Act of 1940 to hostages would permit a court to stay civil actions such as foreclosures until an individual can respond. We recommend that protection be extended to any individual who might be taken hostage in an action directed against the activities of the United States.

The bills provided for payment of a lump sum to hostages or their survivors, made retroactive to cover the Iranian hostages. This issue has been a matter of debate since 1979, and we believe it should be finally settled. We do not believe, however, that permanent legislation should create an entitlement to payment in all future cases regardless of circumstances.

Let me now turn to the other provisions in H.R. 2019 that are not in H.R. 1956.

The major new provision would be to provide compensation for the death, dismemberment, or disability of a family member or Foreign Service national by a terrorist action directed against the United States. We are now able to compensate civilian employees for such losses. However, with respect to family members, we can only provide medical care for incidents occurring abroad.

So far, we have been lucky. We have not had any permanently disabling injuries to family members. If a spouse or child suffers a crippling injury, we should be able to provide rehabilitation and compensation as well as medical care. Statutory authority to make that possible cannot be enacted too quickly, although details naturally remain to be worked out.

Let me say one more word about our foreign national employees. They work, for the most part, at a fraction of the cost of assigning American employees abroad. They provide continuity essential to our operating at peak efficiency. In many countries their work for the United States entails harassment and physical danger. Many have been injured or killed in hostile actions directed against the United States. They should be covered by the protection we are talking about today.

Both foreign national employees and foreign nationals employed under personal service contracts would be covered by the minimum recompense section.

We, frankly, have internal disagreements about the precise form this should take, but we are ready to work with the committee to find a viable way to meet this clear need.

Two final requests concerning coverage: under both H.R. 1956 and H.R. 2019, benefits would be payable only as a result of a—and I quote—"hostile action directed against the United States or against the activities of the United States."

It is not always possible to prove the motive of a terrorist. The issue is clearcut when a bomb is thrown at an American Embassy and kills an employee. It is not so clear when an American employee is killed by a terrorist bomb exploded at a garage at a time the employee is present because of an assignment to drive through the particular area known to be dangerous. Clearly, we believe compensation should be paid in both cases.

Madam Chairwoman, thank you very much. My colleagues and I would be happy to respond to any questions you have. This concludes my formal statement.

[Statement of Ronald Spiers follows:]

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STATEMENT OF RONALD I. SPIERS
UNDER SECRETARY OF STATE FOR MANAGEMENT
before the
Subcommittee on International Operations,
Committee on Foreign Affairs,
and the Subcommittee on Civil Service and the
Subcommittee on Compensation and Employee Benefits,
Committee on the Post Office and Civil Service
U.S. House of Representatives
June 12, 1985

Madam Chairperson:

I welcome the opportunity to testify before you today on hostage relief. The Administration strongly supports enactment of a modified version of the Hostage Relief Act of 1980--a temporary measure--to make it permanent.

The problem of international terrorism is very serious. The number of attacks and their violence seem to grow year by year. Last year alone, there were 64 acts of terrorism overseas directed against U.S. employees or property. These acts included bombings, murders, and kidnappings. They occurred in Europe, Asia, Africa, Latin America, and the Middle East, in short virtually everywhere in the world. Even more alarming, it is now common practice for some states to use

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terrorism as an instrument of national policy. All of this means that despite the best efforts of our Government, employment in the service of the U.S abroad can be extremely hazardous. For example, one of our employees is now being held in Lebanon. We need this legislation to protect his interests.

We should enact permanent legislation so that personnel and their families may know ahead of time that their basic financial needs and concerns will be provided for, should they become a victim. To have the possibility of relief known in advance is essential in maintaining the morale of those who willingly represent us abroad during troubled times. More fundamentally, I believe the U.S. has a moral obligation to its employees which should be set forth in this legislation.

In general, the Administration believes that the legislation should be of an enabling rather than mandatory nature. It should be drawn broadly enough to allow action quickly in response to a wide range of situations and at the same time provide the possibility of being tailored, through implementing regulations, to specific circumstances. We will suggest changes for this purpose as we go through the various sections.

The bills before you today, H.R. 2019 introduced by Chair Schroeder and H.R. 1956, introduced by request by Chairman Mica, go a long way toward meeting the objectives of protection

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of Foreign Service and Federal civilian employees, although there are differences between the two. H.R. 2019 does not cover members of the Armed Forces as did the Hostage Relief Act of 1980, as would H.R. 1956. The Administration believes such members and their families should be covered by any bill passed in this area. Equal and consistent treatment should be provided to all civilian and military personnel of our embassies and other missions.

H.R. 2019 would apply to terrorist actions in the U.S. in contrast to the Hostage Relief Act of 1980 which applied only to hostile actions abroad, as would H.R. 1956. The Administration objects to such expansion of coverage as premature and feels that broadening the bill in this way will unduly complicate expeditious passage. We believe that most personnel abroad are in far greater danger than those in this country. We would not like to see the enactment of permanent legislation on this subject further delayed.

Both H.R. 1956 and H.R. 2019 would make essential provisions of the Hostage Relief Act of 1980 permanent. This is the entire substance of H.R. 1956. It is the substance of proposed section 5569 that would be added to title 5 of the U.S. Code by H.R. 2019. That bill would also add section 5570 to title 5 to provide minimum recompense to both American and foreign national employees and their families who are permanently disabled, dismembered or killed in a hostile action directed against the U.S.

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Let me first discuss the provisions relating to hostages. There are five basic provisions:

One. Establishment of a Savings Fund into which salaries of hostages could be deposited and earn market rates of interest. We would suggest that the provisions of H.R. 1956 on this point be adopted which requires a 30-day trigger period for activation. If an employee is held captive for only a few days, there would be little benefit to the employee from a Savings Fund and its establishment would create an unnecessary complication.

Two. Payment of medical expenses incurred by hostages and their families which are not otherwise covered by the Government or by insurance. Most such medical expenses are now so covered except for those incurred by family members in the U.S. Some family members suffer severe trauma caused by the long imprisonment of loved ones. This provision is needed to cover medical expenses incurred because of such trauma. We suggest that medical expenses be "authorized" as in the Hostage Relief Act of 1980 and in H.R. 1956, rather than "mandated" as in H.R. 2019.

Three. Payment for certain education and training expenses of spouses and children of hostages as has long been authorized for family members of uniformed personnel in a missing status. This provision would authorize payment of a child's college expenses or the training expenses of a spouse

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who wished to reenter the labor market. Expenses would be paid after a 90-day trigger period while an employee was held hostage or following his or her death as a result of captivity. Payments would be limited to the same extent as now limited for family members of missing, or killed-in-action military personnel. Payments would also be authorized for certain former hostages to obtain necessary training to enter another profession if he or she does not wish to again face the dangers of working abroad for the U.S. Again, we would suggest the education and training expenses for family members be "authorized" as in H.R. 1956, rather than "mandated" as in H.R. 2019.

Four. Extension of applicable provisions of the Soldiers and Sailors Civil Relief Act of 1940 to hostages. This would permit a court to stay specified types of civil actions--such as foreclosures--until an individual is restored to a position where he or she can respond. We would recommend that the version of this provision in H.R. 1956 be adopted, rather than the provision in H.R. 2019. This would extend applicable protection to any individual--having business in an American Embassy, for example--who might be taken hostage along with employees, in an action directed against the activities of the U.S.

Five. Payment of a lump sum in an amount to be determined by the President to hostages on their release, or to their

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survivors. The provision would be made retroactive to cover the "Iranian" hostages. It would also apply to all subsequent and future hostages. This provision was not included in the Hostage Relief Act of 1980. However, a payment of $12.50 per day for each day of captivity was recommended by the President's Commission on Hostage Compensation in its 1981 report. The $12.50 figure was based on past payments to military and civilian POW's adjusted for inflation. This issue has been a matter of debate since 1979. We believe the issue of a cash payment to the "Iranian hostages" should be finally settled. We do not believe, however, that permanent legislation should create an entitlement to payment in all future cases. We strongly recommend that the section merely "authorize" such payments, as would H.R. 1956, rather than "mandate" them as would H.R. 2019.

Let me now turn to the other provisions in H.R. 2019, the new provisions that are not in H.R. 1956.

The major new provision would be the addition of section 5570 to title 5. Although this provision would potentially fill a major gap in existing legislation, by providing compensation for the death, dismemberment, or disability of a family member by a terrorist action directed against the U.S., the method for providing benefits for such individuals needs more detailed examination. The bill provides that benefits would be comparable to workers' compensation benefits provided

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under the Federal Employees' Compensation Act (Chapter 81 of Title 5.) Workers' compensation benefits are computed on the basis of salary. The family members to be covered by this legislation are not likely to have a salary. Accordingly, we believe that this method could well be unworkable.

Other options, such as a disability insurance program for family members may be more appropriate. Until further analysis of the available options is completed, it is difficult for us to endorse the inclusion of this provision in any hostage relief legislation. Nonetheless, we are grateful for your consideration of this important issue.

We also want to direct the Committees' attention to a possible problem with the compensation of Foreign National employees under current law. Sections 8137 and 8138 of the Chapter 81 basically limit workers' compensation for noncitizens and nonresidents of the U.S. to locally prevailing practice in each of the over 140 countries in which the U.S. Government has employees. These local prevailing workers' compensation practices vary greatly, ranging from provisions similar to those of the U.S., down to lump sum payments of one year's salary for on-the-job death or injury, or no payment at all. The U.S. government, as a compassionate and fair employer, should provide all employees with minimum recompense in case of injuries, disabilities, or death and not have situations where an employee or survivors of a terrorist attack

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are left destitute and without benefit of full medical treatment, especially in the case of terrorist-related violence.

For example, 88 FSN's were killed or injured in the two bombings of the American Embassy in Beirut. Injured employees and survivors are receiving compensation under the general provisions of Chapter 81 on the basis of a letter from the Secretary of State to the Secretary of Labor, requesting waiver of sections 8137 and 8138 limitations. Without the waiver, benefits to disabled employees and survivors would have been based on Lebanese prevailing practice, the situation was complicated by the requirement that payment come from the Lebanese Social Security System, which has been bankrupted and iseffectively defunct due to the Lebanese war. The use of general Chapter 81 provisions for FSN's in Beirut has functioned effectively and the U.S. Government has been seen to be a fair and compassionate employer. In summary, there are several aspects of the minimum recompense issue which need to be looked into. While we do not know all the answers to these problems, we will work with the Department of Labor to suggest solutions to them.

The other new provision in H.R. 2019 would amend section 6325 of title 5 to extend to foreign national (alien) employees of the U.S. the existing provision applicable to American employees which excuses, without charge to leave for up to one

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year, those employees injured in war or other hostile action abroad in order to permit ample time for recovery and recuperation. This amendment is needed to provide equity to these employees. Many of them have been injured in bomb and other attacks against our embassies and other installations abroad, as have American employees. They deserve the same treatment with respect to recuperative leave as all other employees. May I suggest one technical correction: This amendment is in section 2 of H.R. 2019. That section ends with a reference to leave granted "under section 6310 of this title." The reference should be expanded to include leave granted under section 3968 of title 22, since many foreign national employees are granted leave under the latter.

Let me say one more word about our foreign national employees. They are employed by our embassies, consulates and other installations in most countries of the world. They perform administrative, clerical and blue-collar work, for the most part, at a fraction of the cost of obtaining those services by assigning additional American employees abroad. Their contributions over the years have been invaluable. For one thing, they provide necessary continuity to keep our offices operating at peak efficiency. In many countries, they work for the U.S. at considerable personal risk and in some cases harassment or worse. Many have been injured or killed in hostile actions directed against the U.S. They should be given protection and benefits under the same principles, to the extent practicable, that we give American employees who suffer similar casualties.

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They are a part of the "civil service" of the U.S. as that term is defined in existing section 2101 of title 5. Since all members of the "civil service" would be covered under proposed section 5569, relating to hostage relief in H.R. 2019, foreign national employees would be covered by that section. Foreign nationals who provide personal services to the U.S. under personal service contracts, a common employment arrangement, would not be covered. They should be. H.R. 1956 and the Hostage Relief Act of 1980 are ambiguous on this matter.

Two final requests concerning coverage: Under both H.R. 1956 and H.R. 2019, benefits would be payable only as a result of a "hostile action directed against the U.S." or "against the activities of the U.S." It is not always possible to prove the motive of a terrorist. The issue is clear-cut when a bomb is thrown at an American Embassy and kills an employee. It is not so clear when an American employee is killed by a terrorist bomb exploded at a garage at the time the employee is present because of an assignment to drive through the particular area known to be dangerous. Clearly, compensation should be paid in both cases. In both cases the employee was killed because of his or her employment by the U.S. We recommend that the "trigger" language quoted above be changed to read "caused by an act of terrorism, as defined in section 3077 of title 28 of the United States Code, and is against a United States person or United States property as defined therein."

One final word about protection of family members. They are a very important part of the U.S. Government community abroad. These committees have taken many actions in recent years to facilitate the adjustment of family members to the difficulties and dangers of life abroad. We appreciate that very much.

Thank you very much. I would be happy to respond to any questions you may have.

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Mrs. SCHROEDER. Thank you very much.

Congressman Myers, do you have any questions?

Mr. MYERS. Madam Chair, yes, I have some observations here.

First, it is not clear to me what the position is as far as the provisions of one bill versus the other, about being voluntary or involuntary. Does the administration have a position? I didn't quite pick it out if it did.

Mr. SPIERS. I am not sure that I understand the question, Congressman Myers. Voluntary or involuntary——

Mr. MYERS. Well, whether it should be mandatory or just enabling legislation.

Mr. SPIERS. We prefer enabling legislation. We can conceive of some circumstances where we don't believe it should be mandatory. There are preferences for enabling.

Mr. MYERS. Well, it is unfortunate that we are even considering legislation like this that is necessary, but we live in a real world. We must recognize that we do have problems of this nature. It certainly is appropriate that this Congress should consider this and pass something along this line.

I know the first real incident that most of us had, in recent years anyway, of any magnitude, was when the hostages were taken in Teheran. I know I introduced legislation back then that we would confiscate Iranian property in this country and reimburse the hostages when they were released, from the proceeds of those properties. I think this is one way that we can certainly make the country, especially one that was a situation like Iran, where the nation, the Government did it, or at least contributed to it and sanctioned it, let it continue. They should be the ones that have to pay this.

There is no provision in either of these, I believe, for such action. It is a big step, I know, but I think, rather than have the taxpayers or our country pay for it, that the violating country should be the country that has to pay for the appropriate payment that this would provide.

One other thing, I am not quite sure about—and I should know this. Foreign service officers have a different retirement program than the civil service retirement. What about disability? Do you have a different disability program also?

Mr. SPIERS. I think the disability provisions are essentially the same for civil service and Foreign Service. But you are corrent that the retirement system structure is essentially different. It is different primarily in that it permits early retirement.

Mr. MYERS. I think we would have to give some consideration of the disability as we enter into this area, we have to also know more about what the disability provisions are of the Foreign Service retirement program, to examine it.

Thank you for your testimony.

Mrs. SCHROEDER. One of the very distinguished cochairs is here from Foreign Affairs. We welcome you, Congressman Mica.

Mr. MICA. Thank you, Madam Chairwoman.

If I may just do a little housekeeping first, I have an opening statement that I won't read but I will submit for the record.

Mrs. SCHROEDER. Certainly.

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Mr. MICA. Our ranking minority member, Ms. Snowe, could not be here this morning. I would like to submit her opening statement for the record.

Mrs. SCHROEDER. Without objection.

[The statements follows:]

STATEMENT OF HON. DANIEL A. MICA

Let me first thank my colleagues on the Post Office and Civil Service Committee for inviting all of us who serve on the Internatinal Operations Subcommittee to join them in the consideration of hostage relief provisions. In recent years, my subcommittee has focused on ways in which we can prevent hostile attacks against our embassies and on U.S. Government personnel who serve at our posts overseas. We have been suceessful in authorizing funds for a major security enhancement program which will require strong congressional support for many years. Unfortunately, no matter what physical security measures are implemented—whether creating embassy fortresses overseas or providing armored transportation for our personnel—the risk of a hostage situation will always exist.

Many Members of the Foreign Service, and indeed other U.S. Government employees, live with day-to-day risk to their own well-being and that of their families. In providing "security" for these indviduals we must provide as much as possible for their mental as well as physical well-being. We have learned from the hostage experience in Iran that, in a long-term hostage situation, a major concern of a captive is for the welfare of his or her family. We have not fully provided for security of our personnel until we have enacted legislation which provides safeguards against the mental as well as physical strain which sometimes comes with serving our country overseas. Therefore I am pleased to begin consideration of the two bills before us today which provide a foundation for family and individual benefits for victims of a hostage taking. I look forward to hearing the views of the scheduled witnesses.

I introduced H.R. 1956, amending the Hostage Relief Act of 1980, by request of the Administration. To a large degree, this legislation tracks the 1980 Act. Mrs. Schroeder's bill H.R. 2019, incudes provisions which widen the scope of the 1980 Acts. I am confident that these hearings will enable us to identify the best mix of benefits that will satisfy the obligations of the U.S. Government to any who currently suffer in a hostage situation, to the hostages who suffered in Iran, and to provide a basis for compensation should new hostage situation arise.

Thank you.

STATEMENT BY CONGRESSWOMAN OLYMPIA J. SNOWE

I commend my colleagues, the Chairs of the three Subcommittees, for calling this hearing. Every day members of our diplomatic corps, and other government employees, are facing the possibility of being taken hostage—a possibility that I deplore and yet this is a threat that I realize we must face in today's world.

In fact, one of the 7 Americans currently held hostage in Lebanon, William Buckley, was the political officer at our embassy in Beirut in March of last year when he was kidnapped.

When an employee of the United States does fall victim, it becomes our duty to at least try to alleviate any financial burdens that may compound their emotional anguish—and that of their families. Our former Iranian hostages tell of their preoccupation with the well-being of their families. We are here today to address those most valid concerns.

The provisions in the measures that we will consider today, however different in detail, are singular in purpose: to give a measure of relief to government employee hostages and to their families. Both bills contain several common elements. First and foremost, they would establish an on-going relief program. As it now stands, hostage relief for civilian employees requires separate legislative action for each hostage situation as it occurs. Future violence against government employees must be anticipated despite our best efforts to prevent it. We need to have a program in law so hostages and their families will know that their basic needs will be provided for by our government.

In addition, both bills provide broad administrative, medical and educational assistance to meet the needs of hostages and their families—and of the hostages after their release from captivity. And finally, both H.R. 1956 and H.R. 2019 recognize an obligation to our former Iranian hostages by permitting the President to make certain payments to them.

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Our witnesses today should help us identify the best possible relief package that we can submit to our colleagues for their approval. I look forward to our witnesses' suggestions and hope that a compromise measure will be completed as soon as possible. Whatever relief package that we agree to, no matter how generous, cannot adequately compensate our employees and their families for their period of stress and worry. Nevertheless, we have an obligation to those affected Americans that they have the continuing support of a compassionate Nation.

Mr. MICA. Let me just add to that and say that there are two pieces of legislation before us today—H.R. 1956 and H.R. 2019, your bill and my bill. I feel certain that this will come out very quickly as our bill, a piece of legislation that will benefit all that we are concerned about here.

I have no doubt in my mind that we will work this out quickly and that we will address this very real problem. It will be a cooperative effort. I appreciate the opportunity to have these joint hearings with your subcommittee.

Mrs. SCHROEDER. Thank you very much.

Congressman Dymally, do you have any questions?

Mr. DYMALLY. Mr. Spiers, in 1980 Congress was working on the hostage relief act, and Congress was told that the hostage commission would take care of some of the problems involved in compensation. Whatever happened to their recommendations?

Mr. SPIERS. The recommendations have not been implemented, I think in part, because of an absence of a legislative basis for implementing. If this legislation is passed, it would be our intention to implement the recommendations of the President's commission.

Mr. DYMALLY. Is OMB supporting this legislation?

Mr. SPIERS. OMB has approved the administration position which I have enunciated this morning, yes.

Mr. DYMALLY. Thank you, Madam Chairman.

Mrs. SCHROEDER. Thank you.

Did OMB change anything in your testimony?

Mr. SPIERS. I think that they did, Madam Chairman, but the testimony which I presented this morning was approved in OMB.

Mrs. SCHROEDER. Do you know what OMB took out?

Mr. SPIERS. I think that OMB has had some objection to, as they often do, some open-ended statements of support for minimum recompense provisions, but they also have agreed to an acceptance in principle, subject to later working out of the details on this.

Mrs. SCHROEDER. Do you mean the mandatory versus discretionary part is that what you mean?

Mr. SPIERS. Well, I think that the whole administration has reservations about the mandatory aspects, as I indicated in response to Congressman Myers' question.

Mrs. SCHROEDER. Have they looked at the cost difference of mandatory versus discretionary?

Mr. SPIERS. I would defer to one of my colleagues to answer that. I think that there is an issue in principle here. That is that there are conceivably certain circumstances where one would want discretion. I can't offhand give you some descriptions of those, but I understand that there are reservations about the mandatory aspects of this.

Mrs. SCHROEDER. If you could come up with some of those for the record, it would be very helpful. My thought was you really wouldn't want this to be used politically, and that's why I felt it

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was important to make it mandatory. If there are some legitimate cases that you can construct where you think it will be wrong to provide these benefits, we would like to see them. Otherwise, having people come in and have to plead for these benefits and establish a case sounds like a lot of bureaucracy and red tape to me. These should be benefits like retirement benefits or anything else. Either you did or did not retire, and either you did or did not get injured.

Let me ask about the danger pay benefits. Right now they don't apply to posts where there is a high crime area. Yet, I saw some statistics showing that among Foreign Service people in Rio de Janeiro, over 60 percent of them have been subjected to some form of crime. I am sure you could find that in other parts of the world where employees are.

What would you do about that? Do you think that that is just the way life is?

Mr. SPIERS. Well, we have a formula for determining eligibility for danger pay. Crime is one of the factors. I think we presently pay danger pay in five or six posts, which include Lebanon, El Salvador, Uganda, Colombia, Kuwait, Afghanistan. This is determined on the basis of an assessment that is made of each post in which crime is a factor, but it is certainly not the major—there are a whole chain of things, civil insurrection and the like. So, it is not something that is ignored.

Mr. MYERS. Madam Chair, I have one other question.

You thought the armed forces should be included, and I certainly agree with you. If anybody is subjected to terrorism or harassment or whatever it might be overseas, I think they should be entitled. What about DEA people we have?

Mr. SPIERS. Well, they would be—all members of an embassy staff or embassy mission would be included. And DEA is certainly a major element of our embassy staffings at many posts.

Mr. MYERS. We have, of course, commerce, and we have agriculture, we have also an embassy staff that——

Mr. SPIERS. That is correct.

Mr. MYERS [continuing]. Are not State Department personnel. But DEA especially takes some high risks when they are out in the field in some——

Mr. SPIERS. That's right. And of course, in an embassy that is subject to attack, all people, regardless of their agency origins, have the same risks, whether it's AID or USIA or DEA, the whole range.

What we would not like to see is an exclusion for those members of the military staff who happen to have a Defense Department affiliation, uniformed people. But members of the defense elements of an embassy staff, we believe, ought to be included, as would all of the civilian employees.

Mr. MYERS. Contract employees, too? Would contract employees who are working in an embassy?

Mr. COHEN. Yes, Americans under personal service contract or foreign nationals would also be covered.

Mr. MYERS. You covered foreign nationals in your testimony.

Thank you.

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Mrs. SCHROEDER. Today, if an employee is kidnapped or taken captive abroad, what kind of benefits are available to the family of that person?

Mr. SPIERS. As I understand, it would depend on the circumstances, whether a power of attorney had been executed by the employee, which would permit access to the employee's salary. But the normal educational and health benefits which are applicable overseas would apply. A problem would be if the employee's family were repatriated; then those benefits would cease, being no longer on an overseas complement.

Mrs. SCHROEDER. Would mental health benefits be available to the family?

Mr. SPIERS. There are limited mental health benefits available to members of the Foreign Service agencies, yes, and these would continue. But I think they are quite limited.

Mr. COHEN. Most insurance plans would be limited, say, to $50,000 or less for mental health.

Mrs. SCHROEDER. Why are you objecting to drug enforcement agents being able to have this kind of protection in the United States? I think they have very dangerous jobs in the United States, too. I don't see why employees should not be covered if they are victims of terrorists acts in the United States.

Mr. SPIERS. Of course, as a spokesman for the Department of State, our responsibilities extend to members of American missions abroad. The question of hostage taking within the United States really is not something that the Secretary of State can or should be given authority to make judgments or decisions about. Personally, I understand the point about wanting to do something in connection with occasions where hostage taking takes place within the United States. But our principal preoccupation is with people abroad. And there is a concern, which has been expressed, that to make this applicable within this country would, one, prolong or create difficulties for passage of the legislation of the circumstance that we are mostly concerned with.

Second, we have reservations about the Secretary of State having a role in determining hostage relief questions in hostage taking situations within the United States. We think that this would be more appropriate under the jurisdiction of the Attorney General.

Mrs. SCHROEDER. So, if we dealt with the administration of it domestically, we would take care of a lot of your problems with it? In other words, you are not making an equity argument per se.

Mr. SPIERS. You would deal with those problems which are of concern to the Department of State, yes.

Mrs. SCHROEDER. Congressman?

Mr. MICA. I just wanted to get this point straight. If you walked out of this room today and you were taken hostage here, and policy decisions were requested—which is the case as these are usually international political decisions—there would be no role for the Secretary of State in that?

Mr. SPIERS. It depends upon the particular circumstances. But if I were taken hostage by an American Symbionese Liberation Army or the Weathermen or the Mafia, this doesn't have a foreign policy dimension, in my judgment. There are, of course, other cases that

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would have a foreign policy dimension in which the Secretary of State would be much involved.

Mr. MICA. Are there guidelines existing right now to deal with that kind of situation?

Mr. SPIERS. I am not aware of any.

Mr. MICA. I might just say for the record as you know, I introduced this legislation by request. I certainly support the need for this legislation and am willing to work out the differences we have in the two bills. But while we are raising this topic, we probably ought to look at the domestic situation, possibly in a future hearing or at least discuss it in some informal briefings. Every report we have had when we are discussing the increase in terrorism indicates that, as we harden our targets overseas and as we take measures to protect our personnel overseas, the focus of terrorism will turn right to the United States. I think we are going to have to be cognizant of that fact and review our policy.

I know we put sand trucks in front of the State Department. We have taken a few tangible precautions. I wonder if we have done anything with regard to the intangibles that may have to be addressed through legislation.

Mr. SPIERS. I think you are quite correct in pointing to this as a problem that requires some thought and consideration. Certainly, if this can be done without delaying the overseas aspects of it, I don't see any basis for objection at all.

Mr. MICA. On another subject, just tell me briefly how many people to date have been covered by hostage legislation or that the State Department has had to deal with in a hostage situation in the last, say, decade? What do you have figures on?

Mr. SPIERS. Of course, the big slug was Iran. There were 55 or 56 hostages there. There are currently, I think, seven Americans held hostage in Lebanon, although only one of those is an official American. I would have to dredge up more than I can recollect offhand to come up with a precise total. There have been other cases.

Mr. MICA. Tell me for the record, what is the distinguishing factor between coverage under this act for Americans and Foreign Service nationals? This is a question that has come to mind. We just passed the State Department authorization bill, allowing for additional contracting authorities in specific instances. Are we including or excluding large numbers of personnel because of what we just did in the State Department authorization act and the wording of this language, of this legislation?

Mr. SPIERS. No, because my understanding is this would cover contract personnel as well.

Mr. COHEN. The point with Foreign Service nationals is that our current legislation requires that we treat them on a local basis. In other words, in each country people get compensated for injury or death on the basis of local law. Our embassies are following that locally.

This would allow us to apply uniform treatment across the board so that in those countries where compensation either doesn't exist or is very low or inadequate, we could make up the difference.

Mr. SPIERS. I think we do feel very strongly that we have an obligation to other country nationals who are employees of our mis-

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sions overseas and who are exposed to dangers because of their connection with the United States.

Mr. MICA. Again, maybe I can submit this question in writing, because I am not clear myself. We made some changes just recently in legislation that is awaiting conference, that deals with short-term contract personnel.

Mr. SPIERS. I have a recollection of that, Congressman. I must tell you that the details of it just slip my mind.

Mr. MICA. I will submit that.

Mr. SPIERS. If you can do it for the record, we will provide an answer.

Mr. MICA. I will submit that for the record. Also, at this time the chair and I have some questions that we would like to submit for the record. It looks like we have a vote coming up.

Mrs. SCHROEDER. Thank you. I will do the same because we have a vote on.

We thank you very much for appearing. We will take a recess and go vote. When we come back, our leadoff witness will be Frank Monastero, the Assistant Administrator for Operations in the Drug Enforcement Administration.

[Recess.]

Mrs. SCHROEDER. I think we will reconvene the hearing.

We call the Drug Enforcement Administration group to the table and welcome you. The floor is yours.

STATEMENT OF FRANK V. MONASTERO, ASSISTANT ADMINISTRATOR, DRUG ENFORCEMENT ADMINISTRATION

Mr. MONASTERO. Chairwoman Schroeder, members of the Subcommittees on Civil Service, Compensation and Employee Benefits, and the Subcommittee on International Operations, I am pleased to be here today representing the Drug Enforcement Administration as you conduct this hearing regarding legislation to provide certain benefits to Government employees who are held captive.

As you may know, the Drug Enforcement Administration is the United States lead agency for drug law enforcement. It is DEA's mission to combat international drug trafficking and reduce the availability of illegal drugs in the United States. DEA has approximately 4,400 employees worldwide, of whom about half are special agents. We have at least one field office in each of the 50 States and have approximately 200 agents and 100 support personnel stationed in 41 countries.

Terrorism is not the primary focus of DEA operations. However, we are acutely aware of the threat terrorism poses to the United States, and we aggressively pursue drug-related terrorist information. In that vein, I will briefly discuss a situation of heightened concern to DEA, the issue of the increasing use of terrorist tactics by drug trafficking organizations to achieve their own limited political goals, whether they be relaxation of drug enforcement efforts or the prevention of further extraditions.

We are concerned about this relatively new development because it poses a significant threat to U.S. interests and to the stability of elected governments in drug-source countries. Drug law enforcement has always been a high-risk activity. But this escalated vio-

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lence goes far beyond the normal, anticipated danger involved in drug investigations, arrests, and seizures.

Certain drug traffickers have adopted terrorist tactics to fight antidrug efforts. While these traffickers are not thought of as terrorists by definition, their use of threats, violence, assassination, and kidnapping to dissuade governments from strong drug law enforcement policies can certainly be characterized as a form of terrorism. These intensified violent acts constitute attempts by drug traffickers to intimidate sovereign governments into weakening or abandoning the very drug control policies and actions that have resulted in major successes against international drug organizations. The traffickers' objectives are to alter the environment overseas to render us incapable of fulfilling our foreign mission.

It has become apparent that, as we and our foreign counterparts become more successful in combatting the drug trade, the threats of violence and the intensity of violence have increased. Since DEA has a significant presence in foreign countries, we are concerned that drug traffickers are increasingly threatening and resorting to violence. Furthermore, other U.S. employees in these drug-source and transit nations are endangered as well.

For example, in November of 1984, a car bomb exploded outside the fence of the United States Embassy in Bogota, killing one Colombian woman. In January 1985, a bomb exploded at the Meyer Institute, a language school in Bogota owned by a United States citizen. Three Colombians were injured. These bombings are believed to be the work of drug traffickers.

Similar responses to law enforcement's general effectiveness have been felt elsewhere. In Mexico, for example, DEA has been involved in numerous successful operations which have had a tremendous impact on several drug trafficking rings which operate across our border. As part of one of these international investigations, Operation Padrino, in the Southwest United States, we have seized millions of their dollars, numerous aircraft, and tons of cocaine hydrochloride.

The Mexican traffickers' initial response came in October 1984, when a DEA vehicle parked in front of the private residence of a DEA case agent was sprayed with machinegun fire. We recognized the traffickers' message, took the appropriate security measures, and continued with the investigation. Several months later, as you are no doubt aware, DEA Special Agent Enrique Camarena and a Mexican pilot were kidnapped and brutally murdered in another attempt to intimidate DEA into weakening our enforcement pressure there. I would like to emphasize that these tactics did not work but, rather, we have strengthened our resolve.

These terrorist-type actions are not limited to Latin America. We have seen similar demonstration of violence in all drug source areas of the world: Southeast Asia, Southwest Asia, and in the transit areas as well, such as Europe.

As drug law enforcement officers, we are concerned about the escalating use of retaliatory violence. Previously, drug traffickers viewed law enforcement success as a part of the cost of doing business and they did not react violently, perhaps because they did not want to provoke their governments into more serious action.

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Now, in the wake of continued drug control and enforcement success, especially in Latin America, the trafficking organizations have been disrupted and the traffickers are on the defensive. They have reacted not only with threats but with the commission of terrorist acts. This violence is their attempt to intimidate DEA, the United States, and other governments and to force us to change our current strategies.

However, we will not be deterred. DEA has responded with what I believe to be appropriate enhanced security measures. In general terms, we are increasing the use of guard services, altering our physical space, procuring advanced security equipment such as x-ray scanners, and we are upgrading our communications equipment. Of course, we are also involved in numerous training initiatives.

I am pleased to have been able to describe for you today some of the Drug Enforcement Administration's recent experiences and perceptions with regard to the increasing use of terroristlike tactics against our personnel. In this regard, I would like to thank these subcommittees for considering legislation which will provide permanent relief for those who are adversely affected by such violent actions. Legislation of this type recognizes the hazards that we now face around the world and signifies to DEA agents and personnel that their government recognizes the difficult times in which we live. We appreciate this support and will defer to the State Department on the specifics of the two bills in question.

I would be pleased to answer any questions.

Mrs. SCHROEDER. Thank you very much.

Congressman Myers, do you have any questions?

Mr. MYERS. No, Madam Chair. I think that the witness has given a very appropriate and very fine statement. The only question I have, one of the bills under consideration here does not define who is covered. Under the chairwoman's bill, civil service is covered and DEA certainly is civil service, so there is no question it would be covered, and Foreign Service. But one bill I think there was some question about DEA.

As far as I am concerned, DEA certainly does have to be included because it is one of the higher risks, as you have presented in your testimony. I thank you for it.

Mrs. SCHROEDER. Have you seen an increase in threats domestically? Would you want domestic coverage for drug enforcement officials as well as international?

Mr. MONASTERO. We have seen a number of increases in threats generally. Most of them have come from abroad, even though they may have been alleged to be perpetrated in the United States. I am not in a position to know what the administration considered in its position on whether we have domestic or strictly foreign coverage.

Mrs. SCHROEDER. Do you have an opinion, do you think it makes any difference whether you are subjected to one of these kinds of acts abroad or at home?

Mr. MONASTERO. Well, the preponderance of situations, there have been approximately 7 hostage situations occurring for DEA within the last 10 years, and all of those occurred abroad. I can't say that there has never been one domestically, but all of the em-

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phasis has been abroad. I really would have to consider what ramifications there are, which I have not done.

Mrs. SCHROEDER. If the Secretary of State didn't want to administer it domestically, my guess would be DEA could probably administer those types of domestic benefits, couldn't they?

Mr. MONASTERO. Again, not wanting to take a position on this, but I would think, if such a thing occurred, it might be broader than just simply DEA.

Mrs. SCHROEDER. Did you clear your testimony with OMB, and did they change anything?

Mr. MONASTERO. I believe they removed those aspects which related to domestic situations.

Mrs. SCHROEDER. I see. So, OMB removed the part dealing with the domestic situations?

Mr. MONASTERO. Yes. But I was not involved in the discussion, and I don't know on what basis that was done.

Mrs. SCHROEDER. So, you hesitate to say anything about that?

Mr. MONASTERO. I do.

Mrs. SCHROEDER. I am sorry to be pushing. I couldn't understand the difference. It seems to me, if you are taken captive one place or the other, you're still taken.

Thank you very much.

Mr. MYERS. I have one other question, Madam Chair, please.

Mrs. SCHROEDER. Sure.

Mr. MYERS. It seems that there is a difference between State Department personnel and DEA. As I observe the terrorism that the State Department encounters, it often is more of a kidnaping for some purpose, where DEA is straight out-and-out confrontation between drug traffickers who more often than not it is fatal to the DEA agent. Is there any kidnaping that takes place with DEA agents for a specific purpose?

Mr. MONASTERO. Yes; there have been. Usually, it is to extract information and then assassinate the individual. As I said, there have been 7 instances in the last 10 years when this has occurred outside the United States. In two of those instances, the individuals lived. Well, in more than two. But in all but two, the individuals were shot and left for dead. In two cases there was no shooting, and the individuals were released.

Mr. MYERS. In embassies we have had ambassadors that have been shot. A number of times, employees have been also kidnaped for tradeoff for other prisoners, and so forth. It does not seem like DEA has quite the same problem. It is a terrible problem. I am not trying to say—yours are more often fatal, I think, and not so much kidnaping. So, I would think it would be a little bit different treatment.

When an agent is killed today, there is compensation for the family, is there not, provided by our Government?

Mr. MONASTERO. Yes, there is compensation. They are covered by the $50,000 award. However, there have been situations where others have been kidnaped or killed who are not covered. Frankly, there are situations, I would believe, where a support person could be the subject of a kidnaping and not an enforcement person. That could have occurred in Guadalajara, for instance.

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Mr. MYERS. What about the families of DEA agents who are overseas? Are they covered in any way now?

Mr. MONASTERO. They are covered just as civil servants are covered here.

Are you talking about when taken hostage?

Mr. MYERS. Yes. Have we had families taken hostage?

Mr. MONASTERO. We have had one family member taken hostage. She was killed in that situation.

Mr. MYERS. That was in Bogota?

Mr. MONASTERO. No. That was in Thailand.

Mr. MYERS. I guess the fatality in Bogota was a Colombian rather than a family member.

Mr. MONASTERO. Well, there were no fatalities in Bogota. There were two agents kidnaped in Cartagena. They were both shot and left for dead. Fortunately, they both lived, although they suffered multiple gunshot wounds.

Mr. MYERS. I thought in your testimony you had a bomb incident outside of——

Mr. MONASTERO. There were two bomb instances in Colombia, neither of which injured a United States citizen. Both injured Colombian citizens, but they were meant as actions related to, I believe, the extradictions which the Colombians undertook.

Mr. MYERS. Under existing procedures, does your agency treat domestic different than foreign exposure as far as compensation for families?

Mr. MONASTERO. As far as I know, there is no special compensation for families in this situation in either case for us.

Mr. MYERS. I thought you testified a moment ago there was a $50,000 insurance. Is that the individual who carries the insurance? Is that what you are saying?

Mr. MONASTERO. No. That is Government insurance, but it applies in either case. If a U.S. law enforcement person is killed, I don't——

Mr. MYERS. It doesn't distinguish between foreign service and domestic?

Mr. MONASTERO. As far as I know, it does not distinguish. That is correct. I know it does not distinguish.

Mr. MYERS. Thank you.

Mrs. SCHROEDER. I think it might be important to put something on the record about the woman who was killed in Thailand. I believe she was a mother of very young children.

Mr. MONASTERO. That is correct.

Mrs. SCHROEDER. I believe she was shot holding one of those babies. There was no recompense for her, right?

Mr. MONASTERO. That is correct.

Mrs. SCHROEDER. There was no coverage for her whatsoever.

Thank you very much for being here this morning. We appreciate it.

Mr. MYERS. She was not a Government employee. She was a family member?

Mr. MONASTERO. She was the wife of an agent assigned to the office in Thailand.

Mr. MYERS. Which is important——

Mr. MONASTERO. Yes.

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Mr. MYERS. She had young children. The family there should be taken care of, should be covered some way.

Mr. MONASTERO. Yes.

Mr. MYERS. Thank you.

Mrs. SCHROEDER. Thank you very much. We appreciate your being here.

Our next distinguished witnesses are Dr. Katherine Keough, who is the president of the Family Liaison Action Group, known as FLAG, and who has done such a fantastic job with that group; and her husband, Dr. William Keough, who was one of the hostages held in Iran.

We welcome both of you. We will be happy to have you proceed however you would like.

STATEMENTS OF KATHERINE KEOUGH AND WILLIAM KEOUGH, ACCOMPANIED BY BRICE CLAGETT

Dr. KATHERINE KEOUGH. Thank you and good morning. It is a pleasure for us to be here.

I would like to introduce you to my husband, William Keough, who is a former Iranian hostage. Mr. Brice Clagett is with us this morning. Mr. Brice Clagett was the legal counsel to FLAG, the family organization, during the hostage crisis and all of our legal travails from that point on.

I would like to speak to you this morning on behalf of FLAG. FLAG is the family organization that represents the 53 former hostages and their families. FLAG was originally formed as a help support group in 1980, some 6 months after the hostage crisis began. The Department of State helped us to form and to organize and gave us our first office space. We were housed on the seventh floor of the Department of State, where we enjoyed the opportunity to speak on an informal basis daily with the Secretary of State and the international operations group at the op center. We were housed inside the op center. So, it gave us immediate access to what was happening and, at the same time, let us know the degree to which both the Secretary and his staff felt that we were important and that we should be involved.

The three issues that I would like to address this morning are the education benefit issue, the medical benefit issue, and the compensation issue. I have had an opportunity to look at the two bills and to go through them. I would like to briefly talk about the education benefit first.

I really don't need to paint pictures for you about the pain and the suffering, the helplessness and the vulnerability that swept over the families during that period of 1979 to 1981. All of you were here in this country, and you were all afraid with us every night. So, I don't need to tell you about that kind of vulnerability or that kind of pain and suffering, because you know it and you felt it. You were just as angry as we were, just as humiliated as we were, and felt that same kind of inability to do nothing or to do something.

This we all went through. And it is that kind of vulnerability that makes you feel that you must turn your life around and must

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do something positive. For the wives of this group of former hostages, more than half used the education benefits of the Hostage Relief Act to return to some kind of formal schooling during that period of captivity. We took courses at Georgetown University. We took informal courses at local Y's. We took courses in everything and anything that we could find as a positive way of supporting ourselves emotionally and psychologically. It was the one thing that we could do that would take us out of that sphere of vulnerability and give us an opportunity to once again take control of our lives.

Also, there were many amongst our group who did not have college degrees. And I don't need to tell you that, when you live as the wife of a hostage and you don't know whether that person is going to return home again, you are suddenly faced with what kind of skills do I have, and can I support my own family should he not return.

Three of the wives returned to school and graduated with baccalaureate degrees. One went on to get a master's in public administration and policy, although only a portion of that degree was funded through the hostage relief education benefit. It was in the early portion of those benefits that gave these people the impetus to go ahead and finish degrees and to go to school.

I strongly endorse and encourage you to include education benefits as early as possible for people who are on this side of the captivity. It is an avenue from which you can grow and become stronger yourself as a family member.

The second area I would like to address is the medical benefits. By way of introduction to that, I would like to mention that my husband suffers from amyotrophic lateral sclerosis. That is Lou Gehrig's disease. He is the second of the former hostages to come out of Iran with a sclerosis disease. I don't really need to give you a quick lesson in medical statistics to know that the possibility of two out of 53 having a similar or the same disease is a figure in infinity. What occurred in Iran, what kind of epidemiological event or what kind of stress event occurred, we do not know but there are two, now, who are felled with the same disease.

I also don't need to tell you about the kind of financial burdens that are placed upon a family when they have a terminally ill person.

I can only say that the Hostage Relief Act and the medical benefits that we receive from the Hostage Relief Act have allowed us to stay in our home. It has allowed us to have some semblance of normalcy for at least the time period that my husband and I and our children have left together. Without the continuing medical benefits of that relief act, this would not be possible for us.

Please, I encourage you to understand that disease does not end when the captive returns home. It continues on for years and years and years.

The third area that I would like to talk about is compensation. The compensation issue is a very complicated one and one that presents itself after years of back and forth on the part of the former hostages. If I may, I would like to go back to 1979, 1980, when all of the original bills were first put forth in Congress. It was the intent of Congress at that time to provide some kind of per diem compen-

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sation. If we go back in the Congressional Record, we will see that we, the family group, testified at that time against a financial remuneration as a per diem. We did that because we were afraid that the hostage crisis would be prolonged by the Iranians who would see this as an opportunity of, "oh well, we don't have to release them; they're making big bucks back at home."

We testified to that effect in 1980. So, the bill, when it came out, the Hostage Relief Act of 1980, held no figure and held no illusion or reference to compensation. It was for that reason that we testified and lobbied so strongly on it, because of our personal fears.

When the former hostages did come home, it was almost immediate that there was talk once again of compensation. The United States went to The Hague, and The Hague ruled that, yes, because of the hostage situation and taking, the United States was due compensation. And some of this compensation would have been given to the former hostages. The Algiers agreement made The Hague effort null and void. The Algiers agreement also made null and void the opportunity for any of the former hostages to sue anywhere in the world in terms of compensation.

The Algiers agreement also had what in legal terms is called a taking. For some legal minds, it represents a taking of the hostages' rights to sue.

This avenue we pursued through the courts. *Dames and Moore* versus *Regan*, which was the original court suit, held that, yes, the Algiers agreement was constitutional and that there was no question of unconstitutionality. But Judge Gesell in that ruling said that, for the former hostages, there is an avenue; and that avenue for compensation would be the President's Commission on Compensation, which was formed in 1981. The President's Commission on Compensation indicated that, yes, they wanted to provide compensation for the former hostages. And they had difficulty finding a way to hang a dollar amount.

In trying to do that, they likened us to POW's. I would like to say that there are four reasons that I would like to provide for you why we are not like POW's and why this, I don't believe, is the way that it should be put together in terms of compensation.

First, we were not at war with any country, much less the Iranian people.

Second, we were entitled to diplomatic privileges and immunities and certainly expected to receive them.

Third, the host government, the Iranian Government, had in point of fact promised President Carter and Secretary Vance that the Embassy in Teheran would be protected. We were in the performance of political and diplomatic duties as practiced by all the civilized nations of the world.

In the case of our military personnel, the military assistance advisory group in Iran were not combat instruction staff. They were military sales staff.

We had no expectation of being held captive, especially in actual prisons, nor has such a thing ever happened in modern world history to established diplomatic personnel before.

None of these above points can be embraced by the veterans of any war in the history of the United States. Clearly, our situation is unique and must stand alone without regard to other events. It

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is these four points that I would like to offer this group in framing and talking about likening us to POW's for compensation.

The figure that was mentioned by the President's Commission on Hostage Compensation was $12.50 a day. I know that you realize that that is $5,500.

When the families and the former hostages heard of this figure, their initial reaction was mixed. I can tell you that the most difficult comment I think to relate to this group was made, and that was, why would our Government hire people at the going consultant rate of $192.50 a day, which was the going consultant rate that the Commissioners were paid on the President's Commission, to render a finding and a recommendation that while they sat in Washington, they found that the conditions that the hostages lived under for 444 days were worth $12.50?

That is something that is very difficult for the former hostages and their families to understand.

I believe that it was the intent of Congress to provide meaningful compensation. I believe that it was the intent of President Carter to provide meaningful compensation in the forming originally of the President's Commission on Hostage Compensation, which was a bipartisan group. And I believe that it is still the intent of Congress to do something about the former hostages that is meaningful.

Every other avenue, every other legal recourse has been closed to us. We have explored every avenue in the courts, and they all have successfully been shut down.

Decisions that were once rendered in our favor were reversed because Judge Bork was petitioned by the executive branch of government to say that, he was in error.

Our only avenue left is Congress. I encourage you on behalf of the former families of the hostages and the hostages to consider some amount that is equal to or greater than $192.50 a day.

If there are any questions that you would like to ask of us, my husband and I would be more than willing to respond. Thank you.

Mrs. SCHROEDER. We thank you very much for your testimony.

Congressman Myers, do you have any questions?

Mr. MYERS. Thank you very much for a very fine statement, a very passionate statement that you have made. There is little we can say. We all suffered here, too, not as much as the hostages, of course, suffered; but we went through a lot of anguish that was yours, also, and for you and for our Nation and the embarrassment that our Nation was put through during that period of time.

As I said earlier, dollars alone will never compensate individual anguish and family loss during that period of time, but it would help recover some. I certainly sympathize with that.

I completely agree with you. I think, if I were faced with the $12.50, I would tell them to keep it.

Thank you.

Mrs. SCHROEDER. I want to thank you too. I am sure it is very painful to have to go through and relive those days. We really appreciate your very sensitive testimony.

Since you mentioned the medical benefits and the educational benefits, I know you were here when we heard the prior testimony, and the administration disagreed with the bill, because we made

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the benefits mandatory. They wanted to make the benefits discretionary. Do you have any feeling about that at all?

Dr. KATHERINE KEOUGH. I don't know how that would translate into the effect it would have on people who are on the recipient end. The difference between mandatory, I am assuming that that would be that it is there if they wish to avail themselves of the opportunity to take them. That would seem to me to be what we found most helpful.

Mrs. SCHROEDER. I perceived from your testimony that one of the things that helped everybody's mental health was to be able to start receiving educational benefits if you wanted them and to find some way to escape the horrors.

Dr. KATHERINE KEOUGH. It was more than escape. It was a way of taking hold of your life again, to do something positive and constructive.

I would really like to see that available. If the person opted for it, fine. If he or she felt that this wasn't meaningful for her, then he or she didn't have to take it.

Mrs. SCHROEDER. But to do it right away——

Dr. KATHERINE KEOUGH. But make it there and available.

Mrs. SCHROEDER. Well, again, we thank the three of you for appearing and very much appreciate your testimony and wish you all the best.

Dr. KATHERINE KEOUGH. Thank you. I would like to make one other comment. That was that I heard Deputy Spiers speak this morning and say that, should this legislation be passed, that it would be automatic, that the $12.50-a-day provision would be automatically enacted. Is that correct?

Mrs. SCHROEDER. I don't think it is, no. It would not be automatic. It authorizes the President to make a payment, so the amount still would be discretionary.

Mr. MYERS. Have you received the $12.50 per day?

Dr. KATHERINE KEOUGH. No.

Mr. MYERS. You have received nothing at this point?

Dr. KATHERINE KEOUGH. Nothing, nothing.

You know, there is one other area, if I may talk about it, the different between House bill 1956 and 2019. One authorizes the President in his discretion to make payment to the Iranian hostages. Well, that's no different than it has been for the last 4½ years. If the President wanted to do something about the former hostages, he would have done it 4½ years ago. He had that opportunity. Where House bill 2019 requires the President to make a cash payment, which is obviously something that we would prefer. If we went to House bill 1956, we would be back, we would be turning the clock back to where we were 4½ years ago.

Mr. MYERS. I am not clear if I understand. Are you concerned about the amount or the payment or both?

Dr. KATHERINE KEOUGH. Well, I am concerned, No. 1, that the bill does more than allow, that it requires the President to make a cash payment.

Mr. CLAGETT. If I could make one comment. What Mr. Spiers said, as I understood him, was that, if this legislation, which in either bill would give the President complete discretion as to the amount, but if that this legislation passes, Mr. Spiers said that

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what would happen is that the administration would implement the recommendations of the President's Commission. That's the $12.50 a day. So, if you pass either of these bills as they stand now, the amount will be $12.50 a day, according to Mr. Spiers.

If Congress thinks that amount is too little, then you need to pick a figure yourself, because the administration has already committed itself to the $12.50, if the legislation passes.

Mr. MYERS. I remember—and I am not on that committee, but isn't there legislation introduced to mandate payment to those hostages now, a different figure than $12.50? Doesn't Congress have something before it now?

Mr. CLAGETT. Not to my knowledge.

Dr. KATHERINE KEOUGH. Not to my knowledge.

Mr. MYERS. You would know better than we. We have about 25,000 to 30,000 bills to keep in mind.

Dr. KATHERINE KEOUGH. Not to my knowledge.

Mr. MYERS. Congress hasn't done a thing about it?

Mrs. SCHROEDER. The way counsel reads the two bills, H.R. 1956 authorizes the President in his discretion to make payments to Iranian hostages and others taken captive since that time. H.R. 2019 requires the President to make a cash payment to these individuals, but leaves the amount of the payment to the President's discretion, which I assume would be the $12.50.

What you are saying is you want a requirement, but you would also like to have the Congress look at that $12.50 and see if that amount was fair. So, actually, neither of the bills is exactly what you are talking about.

Dr. KATHERINE KEOUGH. Well, 2019 comes the closest in at least requiring that something occur, because up to this point, nothing has occurred. Should 2019 be enacted, at least it requires it, No. 1. No. 2, if in some way 2019 could be amended with a dollar figure that Congress felt that they would like to see in place of the $12.50 a day, that would be, for us, the culmination of our 4½-year odyssey.

Mr. MYERS. It seems to me it is the responsibility—and I serve on the Appropriations Committee. This is where the fault is. We on Appropriations have never appropriated the money to pay that. First, the State Department has never requested funds be appropriated for that purpose. Second, we haven't taken the lead either. So, I think both are waiting for the other to act.

We will work on that. We haven't written the appropriations bills yet.

I am not quite clear what you are saying yet. I still have some question. What you are saying is that $5,500 is better than nothing. You would like to see it increase, and I don't disagree with you. I think that is a pittance for the anguish. But, again, dollars will never ever pay back the anguish, the suffering of the families, and the individuals who were hostages there. But at least something should be done. It is long overdue.

We will look into it in Appropriations.

Mr. CLAGETT. If I could, could I make one further comment?

Mrs. SCHROEDER. Certainly.

Mr. CLAGETT. Dr. Keough listed some respects in which this hostage situation is unique. I would like to add one more, which Dr.

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Keough touched on, but it might help to have just a bit more elaboration.

As she mentioned, there is no question that under international law Iran was liable for what it did, and the International Court of Justice at The Hague so held. Had it not been for the provisions of the Algiers agreement, these hostages could have sued and recovered from Iran somewhere. Iran has property around the world, it still does, Germany, whatever. As a matter of fact, Iran owned a good deal of the stock of the Krupp Co. in Germany, which some commercial claimants, American claimants against Iran, have attached and levied upon and gotten judgments on the basis of.

Now, these hostages could have done that, too, except for the provision in the Algiers agreement by which the United States agreed to forbid the hostages to sue Iran anywhere in the entire world. And the Executive order of President Reagan's which implemented the Algiers agreement did that in a rather emphatic way, if you read the Treasury regulations that implemented the Algiers agreement. If a hostage tomorrow filed suit against Iran in any court anywhere in the world, he would be subject to a $50,000 fine and 10 years in jail. I think that is unique in the history of this country. In our view, it was a taking of the hostages' property rights.

The answer that has been given to this is, well, we had to do that to get you out.

That's wrong, because the Executive order of President Reagan which implemented this was signed on February 24, 1981, more than a month after the hostages were released. And it was done for reasons wholly other than getting the hostages out. As the administration testified at that time, the decision fully to implement the Algiers agreement, our obligations under it, even after the hostages were out, was not required by international law because the treaty was obviously entered into under duress. It is a recognized doctrine of international law that a treaty entered into under duress doesn't have to be complied with. But the administration came up here, I heard them testify in February 1981. They said, we have a whole variety of reasons for implementing this agreement even though the hostages are out. And it had to do with long-term relations with Iran, with the Claims Tribunal that was set up in The Hague to hear the commercial claims against Iran, not the hostage claims but the commercial claims. It was done, in other words, for the global foreign policy interests of the United States and not with the hostages in mind at all, because they were already out.

Mr. MYERS. What was the date of the Algiers agreement?

Mr. CLAGETT. January 19, 1981.

Mr. MYERS. The day before the release.

Mr. CLAGETT. The day before the release.

But President Reagan waited over a month after they were out to implement it by Executive orders while there was a full review as to whether this continued to be in the interest of the United States even though the hostages were out. And he found—and I think correctly—that it was. But it wasn't done for the hostages' benefit.

Mr. MYERS. In your judgment, counsel, are we waiting for some type of relief from Iran to make this payment? Are we still trying

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to make Iran make the payment? Do you think that is the reason we have not appropriated the money for this purpose?

Mr. CLAGETT. In the Algiers agreement, we renounced any right to payment from Iran, not only on behalf of the United States but on behalf of the individual hostages. Now, it may well be that, if the Government in Iran and a more civilized situation existed there, Iran might one day realize its obligations in this respect. But I don't think that is why Congress hasn't acted.

Mr. MYERS. One other question, Madam Chair.

Dr. Keough, in your testimony you spoke about Iranian hostages being compensated. There are, I suppose, other hostages have been taken who also should be compensated. Are they being paid? Do you know of other hostages having been taken around the world since this time or even before, have they received any compensation?

Dr. KATHERINE KEOUGH. I don't know.

Mr. MYERS. Is your organization just concerned about the Iranian hostages, not others?

Dr. KATHERINE KEOUGH. Yes. We formed for our own very specific help and support.

My husband, Bill, would you like to say something?

Dr. WILLIAM KEOUGH. Yes. Excuse my voice.

In the new Madison wing of the Library of Congress, on the southeast wall, there is a quotation about freedom being a personal right of the individual. The second point in that was that freedom was given away, and it is, perhaps, fortunately, for we are here today.

Second, I don't think that, in speaking for many of my colleagues, I don't think we are in this for the money. I certainly will never benefit in my physical condition. But there are some who have serious problems, whose careers have been disrupted, who cannot get back into the routine they experienced beforehand. There are people like that who represent what could take place in future hostage taking.

In our case, we are both educated people. The children have just recently completed their educations. With all of the awareness that we have, it has created a lot of stress on the family. So, I would say we are not in this for the money. I would speak to that point because I will perhaps never see it.

Mrs. SCHROEDER. Thank you.

Congressman Gilman, do you have any questions?

Mr. GILMAN. I am sorry that I was delayed in getting over, Dr. Keough. Am I correct in that there was no additional compensation other than the actual salaries and medical benefits and accrued leave received as a result of your internment?

Dr. WILLIAM KEOUGH. Correct.

Dr. KATHERINE KEOUGH. That is correct.

Mr. GILMAN. There has been no additional compensation?

Dr. KATHERINE KEOUGH. No; there has been no additional compensation of any kind.

Mr. GILMAN. Thank you very much.

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Mrs. SCHROEDER. Again, we thank you all for being here, for your very eloquent testimony, and for the help you have given the committee as we try and steer our way through these bills. Thank you very much.

[The following letter was received for the record:]

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June 12, 1985

Hon. Patricia Schroeder
House of Representatives
2410 Rayburn Building
Washington, D.C. 20515

Dear Congresswoman Schroeder:

Re: H.R. 1956 and H.R. 2019

I much appreciated the opportunity to appear before you this morning with Dr. Keough.

Possibly it would be of assistance to you, in evaluating the issue of compensation for the Tehran hostages, to have the testimony I gave in 1981 before the President's Commission on Hostage Compensation. I enclose a copy. */

The gist of the matter, as I see it, is as follows. The hostages and their families were obviously entitled to damages from Iran, which any court would have assessed at many times the sum of $12.50 per day. The United States destroyed these rights of the hostages by abandoning its lawsuit in the International Court of Justice (after winning a declaration of liability against Iran) and by forbidding the hostages to sue Iran in any court or other forum anywhere in the world. The United States did not do these things in order to obtain the hostages' release, but for quite different reasons. Effective action was taken only on February 24, 1981, more than a month after the release of the hostages. At that time repudiation of the Algiers Agreement could easily have been justified under international law, since the Agreement was made under duress. But the Executive Branch, by its own statement, decided to carry out the

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Agreement for "financial and diplomatic" reasons (see p. 16 of my enclosed testimony) that had nothing to do with the hostages' safety or well-being.

If the United States had not given away the hostages' claims, it is a close question, because of technicalities in the Foreign Sovereign Immunities Act, whether the hostages could have successfully sued Iran in this country. That question came before the U.S. Court of Appeals for the D.C. Circuit in Persinger v. Iran. That court, in an opinion by Judge Bork, originally held in favor of the hostages. However, the Executive Branch sought rehearing and made it clear that it was profoundly opposed to the decision. Judge Bork then reversed himself and held against the hostages. The Supreme Court denied certiorari. The issue has arisen in only one other circuit, which decided the same way as Judge Bork's second opinion. It is unknowable whether other courts would have agreed with Judge Bork's first opinion or with his second.

Even if the law were clearly established that the hostages could not sue in United States courts, the United States could have obtained an award of compensation for them if it had pursued its claim in the International Court. Moreover, the hostages themselves might well have been successful in the courts of other countries. For example, commercial claimants against Iran have succeeded in attaching substantial Iranian assets in West Germany. But the United States government barred the hostages from making any such attempt. The Treasury Regulations -- adopted more than a month after the hostages' release -- impose a fine of $50,000 and a prison term of ten years on any hostage who might dare to file a suit in a German or any other court. This is an extraordinary, perhaps unprecedented, constraint on American citizens from vindicating their just grievances and rights.

Because the United States gave away the hostages' undoubted claims against Iran as bargaining chips to secure unrelated advantages for itself, the United States is, I submit, at least morally obligated to compensate the hostages in a way that bears some relation to what a court would have awarded against Iran if it had been allowed to hear the case. From that point of view, of course, the $12.50 per day day figure (a total of $5,550 per hostage) is completely inadequate -- indeed ridiculous.

I believe it is clear that the Congress, President Carter and the International Court of Justice all intended

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that the hostages receive substantial compensation. The bills presently before you would not achieve that result unless they are amended.

Mr. Spiers made it quite clear to you this morning that, if either of the bills is enacted, the Executive Branch will simply implement the almost-four-year-old recommendation of the President's Commission that the hostages receive $12.50 per day; he didn't even mention interest. This, I submit, would be a travesty of justice. If the Congress wishes to achieve a more just result, it would be necessary to amend the bill to specify the amount that Congress deems appropriate and to require that it be paid. I urge that you follow that course.

Yours sincerely,

Brice M. Clagett

Mrs. SCHROEDER. We have two final witnesses this morning. I think I will ask them to come to the table together. We have Walter F. Weiss, who is the congressional liaison, accompanied by James A. Derrick, member of the governing board of the American Foreign Service Association. And we have Norman Painter, who is the president of local 1812, American Federation of Government Employees.

We welcome you both. We will put your full statements into the record. If you care to summarize or add anything, we would be very happy to hear from you.

Why don't we start with you, Mr. Weiss.

Mr. WEISS. Thank you. What I would like to emphasize, I am just going to read some sections at the bottom of page 2 into the record, because we would like to emphasize it as the position of the American Foreign Service Association.

STATEMENT OF WALTER F. WEISS, CONGRESSIONAL LIAISON, AMERICAN FOREIGN SERVICE ASSOCIATION, ACCOMPANIED BY JAMES A. DERRICK, MEMBER OF THE AFSA GOVERNING BOARD

Mr. WEISS. Madam Chair, at the bottom of page 2, there are certain specific features of H.R. 2019 which the American Foreign Service Association would favor. H.R. 2019 covers hostile actions within the United States as well as abroad so that all individual victims of terrorism may be compensated.

This legislation also authorizes agencies to compensate family members of employees and individuals performing personal service to the United States who are disabled or killed as a result of hostile action against the United States. This aspect of the bill is critical because these individuals are placed in the same kinds of situations, face the same threats of disability or death as other employees of the Government.

Under H.R. 2019, educational and medical benefits are required to be paid to family members and employees, and the determination as to when captive status arises because of hostile action to be

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made by the President. Once this determination is made, all of the benefits of this legislation should automatically flow to the victim or his family. The pay allotment provision which provides for pay to be deposited in an interest-bearing savings fund is also implemented immediately under H.R. 2019 with no waiting period.

The final report and recommendations of the President's Commission on Hostage Compensation, when discussing the Commission's final conclusions, states that:

> It was the principal concern of the members of the Commission throughout their deliberations that the hostages be restored, to the extent that it was possible to do so, to a position in their lives and careers in which the effects of their captivity would not place them at a disadvantage.

That is the end of the quote. If construed broadly, the legal framework set up under H.R. 2019 provides the best means to achieve this through permanent legislation.

Could I give you a little background, because I was in the room at the time of the original Hostage Relief Act of 1980. I worked on the bill for the Department of State. There is need to get authorization for compensation to be paid. The bill went out in 1982. The administration sent up legislation in the spring of 1982. One of the problems you ran into was over on the Senate side. It was given to the Senate Finance Committee. They said they could not hold any hearings because of election year in 1982; therefore, House Foreign Affairs Committee did not hold hearings. But you need authorization for compensation, to implement the compensation section for the Iranian hostages.

The other thing, as Katherine Keough mentioned today, POW, the Commission looked at it. During World War II, American military personnel captured by the Japanese were given $1 a day compensation. Those that were captured by the Germans were given nothing. During the Korean war, American POW's were given $2 a day compensation. During the Vietnam war, they given $5 a day compensation. And that was for POW. They took $5 a day as compensation for Americans who were captured by the North Vietnamese and added a cost-of-living factor for the Iranian hostages. They got it to $10.50 or $12.50 a day.

There were long arguments within the executive branch. Many people thought it was a bizarre way to figure out that you are talking per diem. It came, as Katherine Keough said, to roughly $5,000, and there was a feeling that that was no compensation.

And were you better off by giving a grant? As you Members of Congress know, people introduce legislation of giving each Iranian hostage up to $1,000 a day for each day in captivity. And those were some of the other alternatives.

But you need authorization to pay compensation. Thank you.

[The statement of Walter Weiss follows:]

STATEMENT OF WALTER F. WEISS, CONGRESSIONAL LIAISON, AMERICAN FOREIGN SERVICE ASSOCIATION

The American Foreign Service Association, the professional representative of the career foreign service for sixty-one years, is pleased to appear before these committees in support of H.R. 2019 and H.R. 1956. AFSA is grateful to Chairmen Mica and Schroeder for introducing these bills and for their concern and support for this important issue.

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There is a pressing need for the passage of such legislation, given the increased frequency of terrorist actions directed against the United States government which so many times results in capture, kidnaping or death. Foreign Service employees will be especially affected by the passage of either of these bills because of the high risk and danger to which they are continually exposed.

There has recently been a dramatic increase in the number of kidnaping and terrorist acts. Yet another barbarous act took place Sunday, June 9, when Thomas Sutherland, the American Agricultural Dean of American University in Beirut, was kidnaped. Foreign Service employees know the risk that is involved in working for the United States in these areas, yet they accept the challenge and perform an invaluable service. These employees have risked and lost their lives in the line of duty, and it is essential that there be laws to alleviate some of the dire economic consequences suffered by their families.

H.R. 2019 and H.R. 1956 both provide for certain benefits for government employees and other similarly situated individuals who are captured, kidnaped or otherwise deprived of their liberty as a result of hostile action directed against the United States. Under both bills, medical and educational benefits are provided for family members and to employees who are victims of terrorism.There are additional provisions which allow for the deposit of the employee's salary in an interest-bearing savings fund. In addition to other statutory benefits already in place, the bills provide for payment to individuals who are injured because of hostile action directed against the United States.

There are certain specific features of H.R. 2019 which the American Foreign Service Association would favor. H.R. 2019 covers hostile action within the United States as well as abroad so that all individual victims of terrorism may be compensated. This legislation also authorizes agencies to compensate family members of employees or individuals performing personal service to the United States who are disabled or killed as a result of hostile action against the United States. This aspect of the bill is critical because these individuals are placed in the same kinds of situations and face the same threat of disability or death as other employees of the government.

Under H.R. 2019, educational and medical benefits are required to be paid to family members and employees, and the determination as to when captive status arises because of hostile action would be made by the President. Once this determination is made, all of the benefits of this legislation should automatically flow to the victim or his family. The pay allotment provision which provides for pay to be deposited in an interest-bearing savings fund is also implemented immediately under H.R. 2019, with no waiting period.

The Final Report and Recommendations of The President's Commission on Hostage Compensation, when discussing the Commission's final conclusions, states that, "It was the principal concern of the members of the Commission throughout their deliberations that the hostages be restored, to the extent that it was possible to do so, to a position in their lives and careers in which the effects of their captivity would not place them at a disadvantage. If construed broadly, the legal framework set up under H.R. 2019 provides the best means to achieve this through permanent legislation.

In spite of recommendations by the President's Commission on Hostage Compensation, those held hostage in Iran for 444 days have not received anything in the form of compensation. Even through H.R. 2019 requires the President to make cash payments, Congress should take positive action to ensure insofar as it is within our power, that the hostages are restored to where they would be had they not been taken hostage. It has been over four years since the hostage release and the President has yet to order compensation. The experience that the Iranian hostages endured for 444 days can never be fully compensated for, but some form of restitution is grossly overdue.

In view of the importance of and the need for this legislation the American Foreign Service Association urges these Committees to take favorable action on the bills before them.

Mrs. SCHROEDER. Thank you very much.

Mr. Painter, would you please begin?

STATEMENT OF NORMAN PAINTER, PRESIDENT, LOCAL 1812, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES

Mr. PAINTER. I am Norman Painter, president of the American Federation of Government Employees Local 1812, at the U.S. Infor-

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mation Agency, which represents about 4,000 employees in the Foreign Service bargaining unit and the civil service bargaining unit. I am here today in place of Kenneth Blaylock, our national president, who was unable to be present. We thank you for this opportunity to testify.

I understand that you will enter the entire statement in the record. So, I will now skip ahead.

We in the union local 1812 anguished along with the families of the hostages at the time of the Iran event. The U.S. Information Agency had four officers among those 53 hostages, including our AFGE 1812 member, Bill Royer. Bill Royer is presently an Agency book officer in Bangkok.

AFGE urges the committees to take the leadership in passing H.R. 2019. We hope that an expenditure is never required under these bills, but, of course, history shows that happens from time to time. However, even if after the enactment of H.R. 2019 the bills provisions are never triggered, we still think it is important. It is important because it sends a signal to Government employees, Foreign Service and civil service employees in our foreign affairs agencies and in others in the U.S. Government that their employer recognizes the value of their work and the risk that it entails.

This signal is especially important at this time, when so many forces are at work demoralizing Federal employees, such as the attack on our retirement system. Thus, a job, especially a job that entails personal sacrifice, health risk, and physical danger to the employees and to their spouses and to their children needs such offsetting protections such as those included in this pending legislation.

These two bills themselves may not be sufficient to guarantee the continuance of a Foreign Service personnel system which will attract and retain the best talent available to do this important job. As national president, Ken Blaylock said to Congressman Ford's committee on April 23, 1985, as a personnel tool, retirement plans will dramatically impact the type of employees an employer will attract and retain. This is a point that we have been trying to get across for some time because it impacts so widely.

We hope that the integrity and the benefits structure of the Foreign Service retirement and disability system currently under attack will be sustained and that these committees will add to this the passage of H.R. 2019.

Thank you for that.

[The statement of Norman Painter follows:]

STATEMENT BY NORMAN PAINTER, PRESIDENT, LOCAL 1812, AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES (AFL-CIO)

My name is Norman Painter. I am President of the American Federation of Government Employees Local 1812, which represents the Civil Service and Foreign Service employees at the United States Information Agency which includes The Voice of America. I am here in place of AFGE National President Kenneth T. Blaylock who is unable to be here today. The American Federation of Government Employees represents 700,000 federal workers across this nation and overseas.

AFGE is pleased to have this opportunity to appear before this Committee to testify on H.R. 2019 and H.R. 1956.

All Americans look back with horror and relief at the Iranian hostage crisis—with horror because of the indignities suffered by the hostages, and indirectly, by all Americans—with relief because of their eventual safe return.

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Such safe return has not always been the result for foreign service personnel—92 foreign service employees have lost their lives overseas since 1908.

There are few situations which generate the physical and mental anguish which can compare to a hostage crisis like the takeover of the American Embassy in Iran on November 4, 1979.

Our Local anguished with the families of several U.S. Information Agency Officers who were among hostages including AFGE Local 1812 member Bill Royer.

In recognition of the extraordinary nature of that particular hostage crisis, Congress enacted into law the Hostage Relief Act of 1980, covering all Americans taken hostage in Iran, which:

Exempted from federal income tax all income earned by the hostages during their captivity and for up to two years of hospitalization after their release.

Exempted from all taxes income received by the hostages for an entire year if a hostage died from injuries or disease that resulted from his captivity.

Created a special interest-bearing savings account into which each hostage's pay could be deposited.

Paid the hostages' medical expenses to the extent they were not covered by insurance.

Paid for education and training benefits received by spouses and children of the hostages.

Provided relief from civil suits while the hostages were held captive.

The 1980 Act established the principle that the government as a reasonable and compassionate employer had a responsibility to those hostages to provide to some material relief to partially offset the duress suffered by them and their families.

It seems sound public policy to establish this principle in legislation which will cover the general case of a hostage crisis as opposed to relying on individual legislative responses to particular hostage situations. In this regard, we want to commend both Congresswoman Patricia Schroeder and Congressman Dan Mica for their respective sponsorship of H.R. 2019 and H.R. 1956.

In considering what type and nature of benefits are appropriate in this situation, one must keep in mind the unique strains, tensions, and stresses engendered by such a hostage crisis. It is our view that it would be difficult for the appropriate legislation to err in the nature of being overgenerous.

With this perspective, H.R. 2019 is preferable to H.R. 1956 in most regards. There does not seem to be any compelling reason to limit the provisions of the bill to hostage situations overseas. If foreign mercenaries take over a domestic government installation in the United States, is their situation any less fraught with peril than an embassy takeover in a foreign land? Will their families worry any less about torture, death, or other deprivations? We think not—thus, we support the inclusion of domestic hostage situations in H.R. 2019.

The issues of a waiting period for the allotment of pay into an interest-bearing savings account seems somewhat minor. We can see no ready justification for the need for such a waiting period; thus, we support H.R. 2019 in this regard.

The provisions of medical and educational benefits to family members and employees who are victims of terrorism seems a minimal offset for a fair and concerned employer. Affected federal employees should be equally treated in this regard; thus, we support H.R. 2019, which makes the provision of such benefits mandatory.

With similar reasoning, we support H.R. 2019's provisions for mandatory payments to the Iranian hostages and others taken captive since that time, with the amounts left up to the discretion of the President for reflection of differences between various hostage situations.

We also strongly support the section of H.R. 2019 which authorizes agencies to pay compensation to family members of employees who are disabled, or killed, as a result of hostile action against the United States.

AFGE urges this Committee to take the leadership in passing H.R. 2019. Given the rarity of the situations it provides for, it is unlikely to generate any major budgetary consequences.

We fervently hope that an expenditure is never required under the bill's provisions because we, like all other Americans, fervently hope we never again face terrorist, or mercenary, actions against government employees. However, even if after the enactment of H.R. 2019 into law, the bill's provisions are never triggered, we think this bill is important. It is important because of the signal it sends to Civil Service and Foreign Service employees that their employer—the United States Government—recognizes the value of their work and the risks that their work often entails.

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Such a signal is especially needed at this time, when so many forces are at work demoralizing federal employees—such as the attacks on their retirement system. Thus, a job that entails personal sacrifice, health risks and physical danger to the employees and to their spouses and children needs such offsetting protections like those included in this legislation.

Of course, as important as these two bills are they are not sufficient to guarantee the continuance of a foreign service personnel system which will attract and retain the very best talent available to do the job.

As National President Kenneth T. Blaylock said to Congressman Ford's Committee on Post Office and Civil Service on April 23, 1985, "As a personnel tool, retirement plans will dramatically impact the type of employees an employer will attract and retain." We hope that the Committee Members, along with their consideration of these two important bills, will take a leadership role in protecting the integrity and benefit structure of the Foreign Service Retirement Disability System, which is currently under attack.

The American Federation of Government Employees looks forward to working with your committees in the passage of this important legislation.

Mr. PAINTER. If I could, I would like to speak to the points that have been raised since I came into the room this morning.

On mandatory versus discretionary, we favor mandatory, even if there are revisions of what is before us at this time. We favor mandatory because otherwise we see some serious problems. There will be political considerations as well as budgetary implications. There will be favoritism. There will be vindictiveness and all of the human foibles that come into play when discretionary decisions are being made.

I am not referring to the amounts alone. I would personally hope that the new law that comes out would make some specification.

As far as the consultant fee is concerned, it is presently $242 a day. It could be made a percentage of that or something else.

Family members wherever they are, be they in the domestic United States and the employee overseas, or be they with the employee, when a loved one disappears, they suffer regardless of the circumstances of the employee. They may not know if he is dead or alive or just what, but they suffer certain mental trauma. So, there is no gray area as far as this is concerned.

When Congresswoman Schroeder spoke of—I forget whether you said psychological or mental, maybe it was mental health aspects—I would like to support that consideration, because there is psychological trauma that goes along with it. These people should receive the benefits even if there is a gray area and the fate of the employee is not specifically known.

So, we support the mandatory aspect rather than discretionary.

Thank you very much.

Mrs. SCHROEDER. Thank you both very much. We really appreciate your testimony.

Congressman Myers, do you have any questions?

Mr. MYERS. Yes, Madam Chairperson.

Mr. Weiss, you spoke about authorization being required, which, of course, is required by the rules of Congress before payment could be made to anybody, whether it would be those who have suffered or families or whoever it might be. In this case we are talking about the former hostages.

Is there any present authorization legislation?

Mr. WEISS. No. That is one reason to take care of Iranian hostages as well as—there were several other groupings, Peace Corps volunteer who had been held captive. Diego Ascencio was another

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one who I think you are going to hear the ambassador who is coming later this month to testify. There were other categories of people that were in hostage-type situations at the time of the Iranian hostage situation, too.

But you need authorization so that the President can compensate or the Secretary of State can compensate. You need that, sir.

Mr. MYERS. Of course, the President doesn't have the authority to spend a dime unless it is authorized; he is authorized to do so, but it also has to be appropriated.

Mr. WEISS. That's right.

Mr. MYERS. It is possible that we could appropriate by procedure whether it is authorized or not. We can waive points of order, appropriate, it does happen once in a while. It hasn't happened very often. Maybe it shouldn't happen too often, I quite agree with you.

How many former hostages or people in the category to be compensated are there? Are you aware how many there might be today besides Iranian hostages?

Mr. WEISS. I am not, but it is probably less than 60 people.

Mr. MYERS. Less than 60?

Mr. WEISS. Yes.

Mr. MYERS. We have 53 Iranian hostages, so you are talking about seven others.

Mr. WEISS. It depends on how—you know, if you expand it to other individuals since that time, because I think the Drug Enforcement Administration cited examples today of other people. The monetary value is very, very small. Back in 1980, 1981, we tried to figure out how much was being spent for education, for medical benefits. I think medical benefits was larger than education. We worked the plan, the families as well as the hostages themselves. It was worked through State Department in coordination with Veterans' Administration, and Veterans' Administration did all of the bureaucratic or the administrative followup. We never got any complaints. VA did it.

You get something like $300 a month for living expenses plus books and tuition. It was a small-ticket item when you talk about the amount of money that you people vote on daily up here. It is very, very small.

Mr. MYERS. A few thousand dollars here and a few thousand dollars there; it soon becomes real money, though.

Mr. WEISS. With that I agree.

Mr. MYERS. We all recognize the necessity for including families in whatever we draw up here, but we have to draw the line someplace. What about a dependent of a Foreign Service officer who is traveling in some other country besides the country where the parents are presently stationed, a neighboring country? A plane is blown up or is hijacked. Or maybe a student who is returning back from going to school someplace and coming back, would you include children of Foreign Service officers in this category?

Mr. WEISS. I would. And the reason for it is that oftentimes people are sent on what are called TDY or temporary duty stations, and they are moved constantly. It is not at the choice of the employee or the family members.

One of the big issues, and this is going back even before the Iran hostage taking. I used to have the grand and glorious title of direc-

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tor of the allowances staff at the State Department. One day, a person came in from Iran, the administrative officer. This was when the Shah was under attack there, and it looked like he may or may not last. I said, what is the main concern, what will really draw the line? At that time, I think a series of colonels in the U.S. Air Force had been machinegunned on the street or driving into the Embassy in Iran. He said the main factor and where you will really have panic hit the American Embassy is when they hit the schoolbus.

And he said, it is—these are the concerns. Oftentimes, overseas, to bring a little bit of home to American students or dependents, they have yellow schoolbuses. Everyone knows in town. They get them from a company in Mitchellville, IN, or something.

Mr. MYERS. Richmond——

Mr. WEISS. Anyway, they said, when they hit a schoolbus, that is where you will get the people to panic. Therefore, children are extremely important to Foreign Service parents.

Mr. MYERS. I am not suggesting they are not. There can be no question about a school bus being attacked in the host country. However, I am thinking about a personal trip here by a dependent in another country besides the host country where it is a personal trip, tourist, traveling as a tourist. Should that dependent be covered under this bill, traveling as a tourist in another foreign country?

Mr. WEISS. I just don't know. Probably not.

You are talking about a student who is going to the University of Maryland who decides to travel overseas because he is in the choir and he decides to go from West Berlin and fly up to Norway, and he happens to be on a plane that is dynamited?

Mr. MYERS. That's it.

Mr. WEISS. Probably not.

Mr. MYERS. Or——

Mr. WEISS. That gets tricky.

The main problem you run into—because we looked at it from the executive branch—is, how does one compensate and what are the limitations and the parameters? Our concern when we looked at compensation is, you can have an Iranian hostage 444 days. You can have a Peace Corps member who is captured in the hills and is maimed for life. They cut off his big toe. They cut it off within a 12-hour period, and they throw him back on the sewer system that he was digging with his shovel. And that is a problem. How do you compensate for a Peace Corps volunteer who was captured, maimed, and in 12 hours released?

You have the psychological burden. You have the immense terror for him, versus someone who is captured over a long period of time. And this is tricky, and this is difficult for executive branch officials as well as people that pass laws in the United States.

Mr. MYERS. It's upon us up here making that distinction, too. But I see problems with including dependents who are traveling on personal business in a foreign country, any different than someone else's children who happen to be traveling overseas, even though they aren't Federal employees. I think you have to draw some distinction here.

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Mrs. SCHROEDER. If the gentleman will yield, I think that the bill tries to distinguish that. I think it says compensation to family members of employees that are injured or disabled or killed as a result of a hostile action against the United States. So, it is not just a random one but one that would identify them with the United States and be targeted because of their identity.

Mr. DERRICK. Excuse me, Congressman Myers, if I could talk to that point.

I think you can make a distinction between someone on a plane on personal travel who is affected the same way as anyone else on the aircraft. On the other hand, if you had an aircraft that is hijacked and several passengers are released but a dependent of a Government emplcyee is kept on board because they hold an official or a diplomatic passport, I believe that is another issue.

I realize we are splitting hairs here.

Mr. MYERS. That's the reason I think you almost have to include some discretionary consideration in this bill. If you make it mandatory, where do you draw that line? With discretionary, you can make accommodations for what you have referred to here. But if it is mandatory, that means we have got to put A to Z right in this bill to spell out who is covered and who isn't. I think there has to be some discretion someplace along the line to make it really work.

Thank you very much.

Mrs. SCHROEDER. Congressman Gilman, do you have any questions?

Mr. GILMAN. I am a bit concerned. Is there a distinction drawn between domestic hostages and foreign hostages in both bills or in one of the bills?

Mrs. SCHROEDER. I think only in one of the bills.

Mr. GILMAN. Would that be in your bill?

Mrs. SCHROEDER. Yes.

Mr. GILMAN. How does the panel feel about whether or not there should be a distinction between domestic hostages and hostages taken in a foreign land?

Mr. WEISS. I would make it apply to domestic situations, too, for Federal law enforcement officials mainly who would be most likely to be caught up in a captivity or a hostage situation. I think it is important for their families. I think it should be universal rather than splitting hairs between those that are captured or in a hostage situation overseas versus those that are within domestic United States.

Mr. GILMAN. What about American civilians who may find themselves caught up in a domestic act of terror and become hostage, not just officials? Would we extend it to the civilian population?

Mr. WEISS. You made a determination back in 1980 when you passed the Hostage Relief Act that Congress would only act with respect to Government employees, that you were not going to get involved with the private citizen who is caught up in something. You are free to do it, obviously, but that opens up compensation. You are getting into domestic crime compensation business, which may be extremely expensive and very difficult to handle.

Congress, in looking at it and working with the Hill back in 1980 on the Hostage Relief Act, limited it. Executive agencies wanted to limit it to American Government employees.

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Mr. GILMAN. You would then not apply it to American travelers overseas?

Mrs. SCHROEDER. That is a difficult area. Let me explain, because there was some other issue we were looking at, terrorist insurance, and talking to various private sector insurance people. A guy cited an example where he signed an agreement on kidnapping insurance for a Brazilian family, a $500,000 insurance policy which costs $20,000 a year in its annual premium.

When you start to get into these areas of compensation for American citizens, Mr. Stockman's hair would turn white.

Mr. GILMAN. What about the discretionary provision here of giving the President the discretion to set the amount dependent upon the extensiveness of the terror that unfortunately had been inflicted?

Mr. WEISS. The answer that I would give is that I think that the best solution in these bills we are discussing today is to have the Congress mandate that someone else does something, that it is up to the President then to determine what the compensation is, that he or his agents are in a better position to determine and weigh various factors. But, unless someone, unless Congress mandates using shall rather than may, oftentimes the executive branch organizes interagency committee task force. And they will meet from now until Thanksgiving and never come up with anything.

By Congress mandating it, that means some action will be taken. And by leaving the, more or less, compensation level up to the President or the executive branch, that you have handled the situation as far as you can because you have other duties and responsibilities.

Mr. GILMAN. Do you feel it would be far better to set forth a specific sum rather than to leave it to the broad discretion of some authority——

Mr. WEISS. You have asked the million-dollar or the $12.50 question. It is very, very difficult.

You cannot have people hostages for 444 days and treat them like it's per diem and high-impact area. I just think that is the wrong approach. The Commission looked at it because it was a handle that they could get a hold of and try and make it so that Iranian hostages would be treated in somewhat of a similar fashion as POW's in Vietnam, Korea, and World War II.

I mean, there are various approaches you can take. I just thought, when you total $12.50, and at one time it was $10.50 a day, you are talking $5,000. You couldn't even buy a two-door Datsun back in 1981 for $5,000.

Mr. GILMAN. Thank you.

Mrs. SCHROEDER. Again, I want to thank both of you for being here.

Mr. Painter, did you have anything you wanted to add?

Mr. PAINTER. Thank you, Congresswoman Schroeder.

AFGE does not represent private citizens. I would be out of my jurisdiction or authority. And I would say no, private citizens should not be included in the present consideration, whatever comes out. The Government has other means of protecting those.

Thank you.

Mrs. SCHROEDER. Very good.

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Mr. Weiss and Mr. Derrick, I just wanted to ask one further question to make sure I understood.

The problem, I understand, is the comparison of POW's and hostages. I assume that part of the reason that the Commission was afraid to pay more for the hostages is they felt that there would be a problem with prior POW's who received less. Is that why it was used? Do you have any idea why the commission used the POW analogy?

Mr. WEISS. You have got to remember that the 1979–80 time frame was not that long after Vietnam POW's, some of them who were in prison for lengthy periods of time. And it was also, I believe—and I may be incorrect—the Department of Defense thought this was extremely important to use this type of compensation or retroactive compensation package in terms of the deliberation of the Presidential Commission on Hostages, that it was only 4 years or 5 years since POW's were released. And they thought this was a device that could be used and made sense.

Mrs. SCHROEDER. I thank you very, very much for your testimony this morning, for your patience in sitting through a long hearing, and for all your help. We may be getting back in touch. We appreciate your good comments. Thank you very much.

With that, we will adjourn the hearing. The next hearing will be on June 24, when we will have Ambassador Asencio, Former Ambassador Tom Boyatt, Bruce Laingen, and one other former hostage appearing.

Thank you. With that, we adjourn the hearing.

[Whereupon, at 11:35 a.m., the hearing was adjourned.]

[The following responses to written questions were received for the record:]

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U.S. Department of Justice

Federal Bureau of Investigation

Office of the Director — Washington, D.C. 20535

June 21, 1985

Honorable Patricia Schroeder
Chairwoman, Committee on Post Office
and Civil Service
Subcommittee on Civil Service
House of Representatives
Washington, D.C. 20515

Dear Ms. Chairwoman:

Reference is made to your letter dated June 17, 1985, which submitted questions to the FBI in connection with your committee's consideration of H.R. 2019, legislation to provide certain benefits to Government employees who are taken hostage abroad or within the United States.

Attached hereto are the FBI's responses to the questions posed in referenced letter. I hope they will be of value to you and your committee.

If I may be of any further assistance to you, please do not hesitate to contact me.

Sincerely yours,

William H. Webster
Director

Enclosures (3)

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QUESTION 1:

What is the Bureau's jurisdictional basis for dealing with hostage situations within the United States?

ANSWER:

The Bureau derives its primary jurisdictional basis, for dealing with hostage situations within the United States from two statutes:

Section 1203, Title 18, United States Code (USC), makes it a Federal crime to engage in hostage-taking.

Section 1201, Title 18, USC, makes it a Federal crime to engage in kidnaping.

Other Federal statutes, such as the Protection of Foreign Officials Act, Section 1116, Title 18, USC, and the Assaulting of Federal Officers Act, Section 1114, Title 18, USC, could apply also given circumstances of particular cases.

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QUESTION 2:

What are the Bureau's capabilities for resolving hostage situations?

ANSWER:

The Director of the FBI has overall responsibility to contain and resolve the incident. The FBI instituted a Special Weapons and Tactics (SWAT) Program in 1973. The program was created to provide each FBI field office with the means to effectively handle high-risk criminal situations. As the threat of terrorism increased, however, it became necessary for the FBI to upgrade its response capability. In January 1982, by order of the Attorney General, the Director of the FBI established a specialized unit within the FBI called the Hostage Rescue Team (HRT). The HRT is a sophisticated tactical response team, that is, a cohesive body able to function successfully in situations when standard law enforcement techniques alone, both local and Federal, would not be fully effective. The HRT provides the President and the Attorney General an alternative to the use of military force in domestic situations. Also, the HRT is capable of responding to a major incident at functions which may be viewed as potential targets of terrorism as well as any unanticipated life-threatening situations in which sophisticated assault and rescue procedures are deemed necessary.

If an incident occurs, FBI SWAT teams from the local field office would seal off the area and try to establish communications through hostage negotiators. Over 90 percent of all hostage situations in ordinary criminal cases faced by the FBI have been successfully resolved through negotiation. It is only when such negotiations fail and the situation is beyond the capability of the local or regional SWAT teams that the HRT is deployed.

The primary mission of the HRT is to save lives. Each member of the HRT receives extensive training in emergency medical treatment, the use of breaching and diversionary devices and specialized entry techniques. Each is also trained in a variety of other skills including special weapons and tactics for use in seized hostage situations where the usual law enforcement apprehension techniques would not be effective.

The HRT is also called upon to provide security measures at major events. The HRT assists personnel of the local FBI field office and works closely with other Federal, state, and local agencies involved. The HRT offers advice concerning contingency plans, physical security, the protection of officials and are available on the scene in the event that an incident occurs.

In addition, hostage negotiation training is provided to our Special Agents, with each office around the country having assigned a hostage negotiator to be available should a hostage situation arise.

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QUESTION 3:

Please describe specific instances you are aware of in which Government employees have been kidnapped or taken hostage within the United States.

ANSWER:

Cited below are previous incidents the FBI is aware of wherein Government employees have been kidnapped or held captive as a result of hostile action directed against the United States.

At 10:55 a.m., Sunday, June 28, 1981, Morris Edwin Roberts, Jr., appeared at the main entrance of Atlanta's Federal Building, produced a submachine gun, and ordered a Federal Protective Service (FPS) guard to let him in. The guard was relieved of his handgun and forced to accompany Roberts to the employee's entrance of the FBI Office on the tenth floor. Roberts instructed the guard to stand in front of the door and ring the bell. An FBI support employee recognized the guard and opened the door.

Roberts thereafter proceeded to take the eight FBI support employees on duty hostage and demanded that a ranking FBI official appear at the office to speak with him personally.

During the ensuing negotiations for the release of the hostages over the next several hours, his behavior became increasingly irrational and paranoid. At one point Roberts agreed to release three of the hostages, but warned the negotiator not to ask for any additional hostages to be released. The released hostages confirmed Roberts' increasing irrationality and repeated threats to kill the remaining hostages.

FBI SWAT and Atlanta Police Department personnel gained access to the Federal Building's air conditioning system and descended from the roof to the tenth floor where they could observe a section of the FBI office space through a louvered air conditioning wall vent. From that position, Roberts was overheard stating "I don't care how many people I have to kill, by the end of the day they are going to know who we are." Roberts was also observed pointing his weapon directly at the heads of the hostages.

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At approximately 2:30 p.m., the hostage situation was ended when Agents and police, who were secreted in an air conditioning vent, fired on Roberts who was, at that point, holding a fully automatic machine-pistol to the head of one of the hostages. Roberts was pronounced dead at the scene. Two of the hostages received minor leg wounds and required only brief hospitalization.

Roberts was identified by documents found on his body. In addition to the SM-11 .380 caliber automatic weapon with a loaded 32-round magazine recovered next to his body, three additional loaded magazines for his weapon were removed from an ammunition pouch on his belt. He was also carrying a loaded .22 caliber automatic and a loaded .38 caliber revolver. In addition, a loaded 12-guage, sawed-off shotgun, the guard's .38 caliber revolver, extra ammunition, a dagger, food, and cigarettes were located in a vinyl handbag Roberts had brought with him to the FBI office.

Another case occurred on October 8, 1982, when FBI Special Agent (SA) Roland Rozier, who was assigned in an undercover capacity to an interstate auto theft/narcotics distribution ring, was abducted by four subjects in the vicinity of Douglas, Georgia. Two hours later, one of subjects telephoned an FBI supervisor and inquired whether the undercover Agent worked for him; the subject then stated that they had the Agent and were going to "take care of him."

SA Rozier was held at gunpoint and severely beaten for over an hour. As he was being transported in the back of a truck, he regained consciousness and overheard the subjects making plans to take him to an isolated, wooded area where he would be killed. While traveling down the highway, SA Rozier jumped from the moving vehicle. He was found on the road the following morning and immediately taken to a nearby hospital.

One of SA Rozier's attackers was arrested within a few days and the remaining three subjects were apprehended following an intensive, ten-month fugitive investigation. All four individuals have since been convicted in Federal court and sentenced to varying terms of imprisonment. SA Rozier fully recovered from his injuries and has returned to duty.

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[The following material was provided by the Department of State in response to questions from Chairwoman Schroeder and Chairman Mica:]

Question: Why does the Department favor discretionary language with regard to certain benefits for hostages and their families? For example, in the 1980 Act, the language referring to educational benefits states that the head of an agency shall provide these benefits. The language in H.R. 1956 states the head of an agency may provide educational benefits.

Answer: As a matter of principle, we believe that permanent, general purpose legislation should be enabling rather than mandatory in nature. Such legislation should be drawn broadly to permit maximum coverage. Implementation should be affected under regulations that can take account of differing or new circumstances. Regulations can be changed more easily than laws.

We believe circumstances of hostage incidents may vary so greatly as to warrant different treatment for individuals affected. For example, we do not believe benefits should be paid to a person who volunteers sensitive information to captors to curry personal favor, nor to a person who puts himself/herself at risk for personal gain in violation of specific orders. Especially, benefits should not be paid to an employee in the pay of terrorists. The 1980 Act was designed to deal with a specific, continuing hostage situation in which it made sense to provide educational benefits for all. We are not confident that we should mandate such coverage for all future hostage situations of whatever duration or under all circumstances. We would prefer to have some flexibility in administering the law, by way of developing policy and regulations that will allow for exceptions while conforming to the basic intent of providing benefits.

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Question : Do you favor the language of H.R. 2019 which would mandate medical payments to hostages and family members not covered by other government medical or health programs or insurance rather than the language which merely authorizes such payments?

Answer: With respect to medical benefits, the likelihood of a case arising in which the Government would not find medical benefits to hostages or family members warranted is very small. Nonetheless, we would prefer to administer the medical benefits through regulations that allow for the possibility of denying benefits in a highly unusual case.

The 1980 Act authorized but did not mandate medical benefits.

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Question: The legislation Mr. Mica has introduced by request also requires that the hostage be in captive status for 30 days before his or her salary may be deposited by the Secretary of the Treasury into an interest-bearing account. Is this 30 day period designed to indicate tht the hostage period will be a long one and that the savings fund is a more valuable benefit to the captive? Is the 30 day period a realistic gauge as to the possible length of the hostage taking?

Answer: We support the 30 day threshold period as a reasonable administrative measure. Employees would realize very little from savings accounts established and terminated in a period of a few days or weeks, whereas the adminstrative costs of such transactions would be relatively fixed regardless of the duration of the hostage period. The 30 day trigger is purely an adminstrative measure; it implies no viewpoint one way or another about the likely length of captivity that a future hostage might have to endure.

Persons held hostage for longer than 30 days could receive interest on salary paid from the beginning of the hostage period. In other words, benefits would not be reduced to such persons because of the 30-day threshold provision.

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Question: What is your opinion of the provision in H.R. 2019 which would provide benefits to government employees taken hostage in the United States as well as overseas? Is there any reason why, in your view, such benefits should not be provided as a result of hostage takings within the United States?

Answer: The Administration objects to expansion of coverage to U.S. incidents and feels that broadening the bill in this way will unduly complicate expeditious passage. We believe that most personnel abroad are in far greater danger from terrorist attack than those in this country and have less access to social welfare programs. We would not like to see the enactment of permanent legislation on this subject further delayed.

Question: As in the 1980 Act, no specific amount is mentioned with regard to the title II provisions enabling the President to make cash payments to hostages. Do you feel that it is prudent to leave this amount open? Presumably this amount could vary from Administration to Administration and from hostage incident to hostage incident. It could also vary between domestic and overseas hostage takings. Is it fair to allow for such a wide range of possible payments?

Answer: The 1980 Act did not authorize any monetary payment to the hostages.

We believe it is prudent to allow the President some discretion in determining the amount of any payment. Circumstances of hostages and the indignaties and deprivations to which they are subjected likely will vary greatly over the years. We think it reasonable to consider the varying circumstances when determining the amount of any payment. In addition, we are contemplating permanent legislation, and any fixed sum set by statute would almost inevitably be inadequate in future years.

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Question: What is your opinion of the recommendation of the President's Commission on Hostage Compensation several years ago which was based on benefits available to prisoners of war? Do you think that this is an appropriate standard?

Answer: The President's Commission recommended a modest taxfree payment to Federal civilian and military personnel held in captive status in Iran and other countries between Nov. 4, 1979 and Jan. 21, 1981. The payment was to be similar to the $5 per day detention benefit paid to military POW's and interned civilians in Vietnam and to the crew of the Pueblo. The President's Commission recommended that $12.50 per day be paid to the Iranian hostages, which, at the time of its recommendation was equivalent to the Vietnam era $5 per day adjusted for inflation. This conclusion was arrived at only after careful deliberation and protracted negotiations.

We believe a payment of this order of magnitude entirely appropriate for the Iranian and other hostages held to date. If this legislation is enacted, we would recommend that the President approve a payment of the Vietnam era $5 a day adjusted for inflation to the date of payment.

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Question: Should severity of treatment count as a factor in setting a cash payment amount?

Answer: Both bills authorize the President to consider the treatment received by the hostages while in captivity in determining the amount of the payment. We believe this is an appropriate provision because it will permit distinguishing between one hostage incident and another of an entirely different character.

We would not attempt to distinguish among hostages taken at any one time such as those in Iran in 1979.

Question: Should the Congress or the President make the determination as to the amount of the cash award?

Answer: We believe the President should make the determination in order to permit enactment of permanent legislation with flexibility to adjust benefits to circumstances of different events.

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Question: Both bills before us today provide benefits for some contract personnel. What types of personnel would be covered?

Answer: Both bills cover all personnel in the civil service of the United States. This includes all Foreign Service and foreign national employees. In addition, with respect to hostages, both bills cover citizens, nationals, and resident aliens rendering personal service to the U.S., and H.R. 1956 covers military personnel while H.R. 2019 does not.

Neither bill extends to family members who may themselves be taken hostage.

H.R. 1956 applies to hostage incidents occurring abroad. H.R. 2019 applies to incidents occurring anywhere in the world.

With respect to minimum recompense for disability, dismemberment, or death caused by hostile actions directed against the U.S., H.R. 2019 covers individuals in the civil service of the U.S. or rendering personal service to the U.S. Thus, under H.R. 2019 most foreign nationals working for the U.S. under personal service contracts would be covered by the minimum recompense provisions but he hostage provision.

ily members of individuals covered by minimum se provisions would also be covered by those provisions of H.R. 2019. Neither uniformed military personnel or their family members are covered by H.R. 2019.

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Question: Even though the Hostage Relief Act of 1980 expired on January 1, 1983, are extended medical benefits still available to the hostages held in Iran?

Answer: Yes. The Act's expiration means that no new hostages can benefit from any of its provisions. However, benefits provided to hostages eligible for coverage under the Act are still payable, and are still being paid in some cases.

Question: Is the benefits package in H.R. 1956 and H.R. 2019 appropriate given the circumstances of the hostage takings? Are any necessary benefits left out? Have we included any irrelevant benefits?

Answer: We believe that the two bills taken together provide a good overall benefits package. The Congress might wish to consider whether or not to reinstitute the tax procedural provisions in sections 203 and 204 of the Hostage Relief Act of 1980 as a complement to the benefits provided in these bills. We strongly believe that the medical, educational, and minimum recompense provisions are relevant and necessary to the circumstances of overseas service with the U.S. government. We would suggest that family members be covered in their own right if they are taken hostage.

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Question: Today, what benefits would be available to the family of an employee who is kidnapped or taken hostage?

Answer: An employee who is taken hostage would be placed in a "missing" status for purposes of subchapter VII, chapter 55, title 5, U.S. Code. This action allows for the continuation of the employee's pay and benefits; that is the only legislation that would apply to hostage situations arising today affecting personnel in the civil service of the U.S. With respect to family members, subchapter VII provides nothing beyond travel and transportation back to the U.S. or other location.

Question: If a hostage dies, are medical benefits available to his or her family? Educational benefits?

Answer: Government health insurance is continued for survivors if a hostage dies. Under current law, there are no educational benefits for survivors of civilian Government employees. There are survivor annuities, which are more generous if the employee's death occurs as a result of the hostage taking or in other line of duty accident.

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Question: Does this legislation cover mental health benefits for hostages or their families where problems arising from captivity do not become evident until much later?

Answer: One could interpret the legislation to cover such an eventuality. But neither bill speaks directly to this important point. We believe that the legislative history should clearly state that mental health benefits should be available if psychological difficulties are experienced by the hostage or his or her family, and if those difficulties are diagnosed as clearly related to the hostage incident, whenever they arise.

A related issue is whether the current requirement for hospitalization before mental health benefits become available should be retained, or whether those receiving such benefits should be allowed more latitude in receiving treatment, and in choosing providers.

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Question: Should the benefits of this legislation be extended to cover family members who may be kidnapped or held captive? What about family members of personal contract employees?

Answer: We believe that family members of employees and contractors should be covered in their own right. We must recognize the grim fact that someday, somewhere, a family member may become a hostage. If and when that occurs, we believe the same logic applies as when an employee is taken hostage. The person will have become a hostage as a direct consequence of U.S. government action to assign their spouse or parent overseas; the U.S. government should acknowledge that obligation and provide benefits in an attempt to make the hostage and his or her family whole.

Question: How is a family's separate maintenance allowance affected if the employee is taken captive?

Answer: The separate maintenance allowance continues to be paid in such situations.

Question: Should hostage relief legislation cover members of the uniformed services?

Answer: We believe that it should. The Administration believes it is important that all American personnel serving at an Embassy or mission overseas be protected by the same provisions of law.

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H.R. 1956 AND H.R. 2019

MONDAY, JUNE 24, 1985

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON CIVIL SERVICE AND SUBCOMMITTEE ON COMPENSATION AND EMPLOYEE BENEFITS OF THE COMMITTEE ON POST OFFICE AND CIVIL SERVICE, AND SUBCOMMITTEE ON INTERNATIONAL OPERATIONS OF THE COMMITTEE ON FOREIGN AFFAIRS,

Washington, DC.

The subcommittees met, pursuant to call, at 1:05 p.m., in room 311, Cannon House Office Building, Hon. Patricia Schroeder presiding.

Mrs. SCHROEDER. The subcommittees will come to order.

The big difference between the first round of hearings that we had on these two bills—mine and Mr. Mica's—and today's is that we now are even more sensitized to the immediacy and seriousness of terrorism. In the last 2 weeks, we have been reminded that hijackings and hostage taking have become much too common, and we have been confronted with the fact that no one has got a really good, quick, instant answer for dealing with terrorism.

The TWA hijacking differs from a lot of the previous terrorist attacks in that the captives from the plane are innocent and unsuspecting tourists. In most prior incidents, such as the takeover of the American Embassy in Tehran and the repeated bombings of the American Embassy in Beirut, the targets have been employees of the U.S. Government.

People forget that during 1984 alone, 13 U.S. citizens working for the government were killed and 23 were wounded in 63 different terrorist actions against the United States. Worldwide casualties from international terrorism over the last 2 years equal 3,200.

The legislation we are talking about today does not attempt to combat terrorism. Rather, the bills try to make the lives of victims of terrorism and their families a little easier.

The legislation provides essential medical benefits to deal with the physical and psychological trauma of being a victim of terrorism, educational benefits to help the spouse and children of individuals taken captive, and compensation for former captives, not to compensate them from actual losses—for no amount of money could ever do that—but to recognize the hardship that they have experienced.

The bills deal only with Government employees, because that is the jurisdiction of this committee. The question of what we, as a society, owe to innocent private citizens who are victimized because they are Americans remains to be decided.

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We will also be offering on the Armed Services Committee bill, which is on the House floor later this week, similar types of legislation for people who are in the military and become victims of terrorist acts.

The last few days have told us that it has been very difficult to figure out what to do after a terrorist incident happens. What we should be doing is focusing more on preventative measures.

I think there are lots of things that we would all like to talk about in the preventative area. Then, if terrorism does occur—and we certainly hope it won't continue to occur, but it appears that that is more the order of the day—we ought to make every effort we can to protect those who have been working for us and who were singled out because of their citizenship or because of the government they worked for.

Today, we are going to hear from individuals who know first hand the effects of terrorism, the shock of realizing that your plane is being hijacked, or the disbelief that an armed mob has suddenly taken over your diplomatic enclave. We are also going to hear about the effects of hostage taking on family members, since that is a lot of what this bill focuses on.

Ms. Oakar.

OPENING STATEMENT OF HON. MARY ROSE OAKAR

Ms. OAKAR. I am pleased to cochair this second hearing on H.R. 2019 and H.R. 1956 this morning with my colleagues, Congresswoman Pat Schroeder, chair of the Subcommittee on Civil Service of the House Post Office and Civil Service Committee, and Congressman Dan Mica, chair of the Subcommittee on International Operations of the House Foreign Affairs Committee.

The recent hijacking of TWA flight 847, the cold-blooded murder of Navy Seaman Robert Stethem, and the taking of American hostages are terrifying and sad. Unfortunately, U.S. citizens, Government employes, military personnel, and their dependents are considered easy prey by political terrorists who seek to influence American governmental policies and decisions.

While such tactics are repugnant and should be denounced and actively discouraged by every nation, state-sponsored terrorism continues, disrupting peace and stability in the world. Terrorists have resorted to murder and torture to seek political gain. We must do everything within our power, individually and as a nation, to stop such vicious activities. We must also never forget the needs of those who suffer the horrors of terrorism.

The tragic events of recent days vividly remind us of why the Hostage Relief Act of 1980 was enacted. Unfortunately, this act was only temporary and, moreover, certain of its provisions have never been implemented by the administration. The legislation before us today would expand and improve upon the benefits provided by the Hostage Relief Act to Federal Employees who become victims of hostile action directed against the United States.

Among its many worthwhile provisions, the bill, H.R. 2019, would direct that a hostage's pay be deposited in an interest-bearing savings fund and that captives and their families be compensated for medical and health care, as well as psychological counseling.

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Certainly, such benefits should be provided to Government workers who suffer the physical and mental strain of being held hostage and of facing a violent death at any moment.

As we have seen with the hijacking of TWA flight 847, threats to American citizens and Government workers come from many sources. In addition to radical fringe groups, we are now faced with "narco-terrorists"—those drug dealers and smugglers who are striking at U.S. Government officials and citizens.

In 1984, Robert Latham, a Customs inspector from Texas, was brutally murdered in a Mexican-American border incident involving fleeing criminals. Just a few months ago, U.S. drug enforcement agent, Enrique Salazar, was kidnaped and murdered while trying to halt the flow of illegal drugs from Mexico into the United States. Clearly, border surveillance, drug searches, and undercover investigations conducted by Government employees are extremely dangerous duties, which also make these women and men prime targets of terrorism.

The goal of the U.S. Government is to permanently end terrorism. But until this goal is achieved, our Government employees who are captured and tortured, and the families of those killed, must be properly compensated for their heroism and sacrifice for our country.

The tragic deaths of these Government employees are, unfortunately, only a few of the many casualties of international terrorism. In their ill-fated and reckless attempts to influence American policies, terrorists have destroyed the American Embassy in Beirut, Lebanon, hijacked TWA flight 847, and have attempted to bomb our Embassy in Bogota, Colombia. Such events point out the need for the U.S. Government to make it very clear to those who sponsor and support terrorism that they bear full responsibility for their acts against American citizens and Government employees.

Sad as it is to say, certain Government employees perform duties in extremely hazardous conditions and, sometimes, pay the ultimate price to enforce the laws of our Nation. It is time that we exercise our moral responsibility and provide the proper benefits to those Federal employees whose lives are placed in jeopardy by international terrorism. We must remember and provide for the victims and families of such heinous crimes.

Mrs. SCHROEDER. We now have been joined by a very distinguished member of this committee, Congressman Dymally of California, and I yield to him at this time for any statement that he would like to make.

Mr. DYMALLY. Thank you, Madam Chairman.

We are all shocked and outraged at the terrorism which we are experiencing now, and it is especially frightening since we in the Congress do so much traveling also.

Madam Chairman, I wanted to know if the bill would touch on the question of American citizens who are on contract with the Government or with the DOD or any other agency.

Ms. SCHROEDER. If the gentleman will yield, yes, someone on contract would be construed to be a Federal employee according to the definitions in the bill.

Mr. DYMALLY. Thank you very much.

Ms. SCHROEDER. I thank you.

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Our first witness is Hon. Diego Asencio, the current ambassador of the United States to the country of Brazil, who has had a very long personal experience with terrorism himself.

Mr. Ambassador, we are very honored that you would come here and relive days that I'm sure you would just as soon not, but, nevertheless, we thank you for giving us your first-hand experience. We will turn the floor over to you at this time.

Mr. DYMALLY. Madam Chairman, before the Ambassador begins, I want to express my public thanks to him for helping me find my brother, whom I had not seen for some 34 years. I finally located him in Venezuela, thanks to the Ambassador who laid the ground work for me to visit and gave me some clues as to how to find missing persons.

I thank you very much.

Ambassador ASENCIO. Not at all.

Mr. DYMALLY. We had a reunion in Venezuela, and he has been to the States to visit with me, and he is back there now.

Ambassador ASENCIO. I got a full report, Congressman Dymally.

Mr. DYMALLY. Thank you very much.

STATEMENT OF HON. DIEGO C. ASENCIO, AMBASSADOR OF THE UNITED STATES TO BRAZIL

Ambassador ASENCIO. Madam Chairwoman, I appreciate those kind words, and I'd like to say that I am not here really as a representative of the State Department but, as a representative victim, and my presence, is a direct result of my admiration for your and my appreciation of your support of the foreign service, and particularly the foreign service family. I have watched your efforts very, very closely, and I just want to say I'm one of your admirers.

I'd like to, as a setting of what I'm going to say—I don't have a prepared statement but some notes that I would like to read into the record—give a little bit of the history of my particular incident.

It has been 5 years now, and memories being short—what had happened was that the Dominican Embassy was having its national day celebration. This was in February 1980. It was a noonday affair, and a good cross section of the diplomatic corps and some of Bogota's society was attending a cocktail party at the Dominican Embassy when a group of 16 terrorists rushed the place. There was a shoot-out that lasted well over an hour where some 200 rounds were expended. One terrorist was killed, several were wounded. Some of the guests were wounded, and several passers-by were injured or killed. A number of bodyguards and policemen were also badly hurt, including my own principal bodyguard who, in fact, took three rounds trying to get me out of that particular circumstance.

This then settled into the classic barricade situation with the terrorists and the hostages on the inside of a building and the building surrounded by security forces, police, and military.

Fortunately, we were able to, over a period of 61 days—that's how long it took—to negotiate out the situation and, curiously, to arrive at a settlement that did not either violate Colombian law or traduce American policy but that, nevertheless, was considered honorable and desirable from the standpoint of the terrorists. It

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was the classic negotiating situation where, in fact, both sides received a benefit.

But I have often said that at the moment of the shoot-out I produced the most sincere act of contrition of my career. I figured that there was absolutely no way I could survive what was going on. I figured I was dead—and I found that actually, strangely, helpful in the sense that if you are dead you don't really have to worry, the alternatives are sort of foreclosed. This feeling lasted for about three days.

But the Colombian Government decided to enter into a discussion with the terrorists, and the hostages were able to intrude into the negotiating process and eventually influence its outcome.

The situation inside was very difficult. There were 60-some-odd people at the cocktail party at the moment of the attack. We began negotiating immediately for the release of the wounded and the women, and over the period of 3 days we actually accomplished this. Eventually we began to negotiate the release of the civilians so that eventually there were some 17 people left and representatives of over 12 countries who remained right until the very end.

One of the more interesting things—and I like to say that I'm a specialist in fear—was that you always had the possibility of something going wrong. Often the security forces on the outside would test the positions of the sentries on the inside. If you haven't heard an automatic weapon go off at a range of about 100 feet at 3 o'clock in the morning when you are sleeping, you haven't really experienced one of the ultimate impacts of fear.

There was always the possibility of an accident. In fact, I recall at one point someone dropped a weapon and it went off. Although no one was seriously hurt, we had to dash down to the front door to forestall the troops from attacking.

At another point, one of the terrorists accidentally dropped a hand grenade down some steps. It makes a terrible noise as it falls.

All these things had a wearing effect. The physiological manifestations as well as the psychological ones are something that will be with me for a long time, as is the case with regard to some of my colleagues.

But concerning the proposed legislation, I think it makes all sorts of sense to make the Hostage Relief Act of 1980 permanent. Obviously, the Beirut situation reinforces this view, and the amount of interest that this hearing has generated, I think, is an example of that.

I am convinced that we are at the beginning of some sort of terrorism cycle. It's not something that is going to go away anytime soon.

One of the aspects of this sort of activity is that terrorism, in fact, is a species of political theater where you manipulate symbols. I'm convinced that the gentlemen who held me were not angry at me personally but, in fact, were interested only in my value as a symbol, as a representative of the President of the United States, of the people of the United States, and were doing this as a means of impacting on the media.

So, in effect, I think one of the definitions of terrorism is that, by definition, the terrorists are dealing with people that are innocent

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parties. In fact, my captors insisted they really had nothing against the United States.

Concerning the various aspects of the proposed legislation, one of the more interesting things for me was, for instance, the fact that those hostages who remained physically and mentally active suffered—deteriorated the most, whereas those who tried to take a hand in either the maintenance of physical conditions at an acceptable level or participated in the negotiation did reasonably well, but we all suffered.

One of the things that I think this legislation has to take into account is that people who participate or who are victimized in this sort of circumstance will probably have some psychological, or even physiological, effect. It could be latent, it doesn't necessarily have to be overt and open in the short term—and could at some point return to plague them.

The latent development of traumatic neuroses is something that any medical provisions should have to take into account. Some theorize that it is the intensity of the hostage situation and not its duration that determines this.

I was struck by the fact that a number of my colleagues at the Bogota incident have since left the diplomatic services of their countries. Some of them are still under medical care. One of them is still institutionalized. There have been a number of divorces. One of the more spectacular manifestations one of my hostage colleagues shot and killed his ambassador. It was a group that suffered beyond any reasonable range of what one would expect, say, from observing these things in the movies.

My own view is that the peace of mind of the hostage is an incredibly valuable asset. My relief that my wife, Nancy, wasn't present during this exercise was probably fundamental in my being able to face up to the responsibilities of the moment.

Knowing that one's family would be provided for, I think, would be probably the greatest benefit that this committee could provide; ensuring that medical needs are going to be taken care of; these are things that are so evident that I can't imagine there being any need for anything other than the most perfunctory discussion.

The application of the Soldiers and Sailors Civil Relief Act of 1940 is also a tremendously valid idea, and I think the retention of the retraining privileges of the old act is a very, very civilized measure. There is no question that there will be a certain percentage of victims who will not be able to return to their previous activity.

There is one aspect—and I don't want to steal the thunder of the AAFSW, but I am terribly concerned about the impact of these things on the family, and I'm not just talking about family members who get caught up in terrorist activities but essentially even when they are merely passive observers to the situation. There is a very curious development that we have discovered. Usually the victim knows what condition he is in, how he is feeling, what to expect, but the family is in a state of uncertainty. Sometimes, particularly when the victim has disappeared, they don't know where he is, they don't know what has happened to him. This has the effect of highly negative psychological footprints.

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I am convinced that in some cases members of the family suffer more even than the victim. Even in those cases where there is a death or a complete disappearance without trace, one of the curious manifestations of this activity is that there is no ritual, no rite of passage to mark the disappearance. It is something that preys on the members of the family and really leaves them in a terribly unsatisfied state.

Further, there is another very curious condition that I noted, in these cases. There is no focal point for the rage and frustration of the family to manifest itself. Usually the perpetrators aren't available for this purpose, and there is a tendency to internalize this rage and frustration or to direct it against authority figures.

Another aspect is that in those families that have existing problems, these tend to be aggravated. Alternatively, one of the things that we noted was that there was a tendency for husbands and wives and children to idealize each other. The victim took on the status of a saint, and one's family became some thing sacred. Then, when the victims were released or returned to society, cruel reality intruded. One determined that they were no better than they ever were. This had an unusual impact on the subject particularly of marital problems in general—separations, divorce.

Nancy, for instance, had tremendous guilt feelings about not having been at the party when I was there, despite, as I say, the relief that I had knowing that she was safe. She has suffered as a result of this and has actually undergone therapy. She still experiences fear and anxiety, for instance, when I travel without her or when I go to a cocktail party without her. This is a very curious manifestation that I throw up as an example.

One other aspect of the legislation under consideration that I think merits attention is the treatment of foreign service nationals. There is no question in my mind that in terms of continuity, in terms of loyalty, in terms of efficiency of embassy operations, they do require protection, and they should have benefits comparable to those given American employees.

I think the status of foreign service nationals at our embassies is something that we should nurture and protect. There is no question that in many cases they suffer merely by being our employees, and we should keep in mind that it would be very difficult for us to function abroad without that sort of assistance.

Concerning the question of compensation, I must admit there to a certain ambivalence. Ethically, I find it difficult to accept the concept of compensation in exchange for this sort of activity. I must admit, not enough to turn down any checks that might be forthcoming, but I think it's obviously something that should be debated, and perhaps part of my sense of uneasiness works both ways.

I didn't much like the President's Commission on Compensation either. The $12.50 a day struck me as condescending in the extreme, so I may be reacting to that. And I realize that some of what I would consider more palatable alternatives are not possible or practical.

I would think, for instance, the security factor should be something that is factored into people's salaries directly, and that is certainly, I think, not possible.

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Clearly, the bill should include the military. I realize also that the question of civilians is not within the jurisdiction of this committee, but nevertheless this also is the source of this ethical uneasiness on my part.

If you talk about the attacks against people who are innocent of any involvement and nevertheless are manipulated as symbols some consideration should be given to including them.

Therefore, I would just convey to this committee my ambiguity and my ambivalence in this regard. Marginally, I would say yes to compensation.

Thank you.

Mrs. SCHROEDER. Thank you very much.

I want to let people know that you wife Nancy Asencio's statement is part of the AAFSW package. We are very pleased that she submitted that for the record, because I think it does give us a real focus on the family issues.

Congressman Dymally, did you have some questions?

Mr. DYMALLY. One question.

Mr. Ambassador, did the fact that you were able to speak the language of the terrorists help any? What if you were not able to communicate with them?

Ambassador ASENCIO. I think there is no question, Congressman Dymally, that what I call cultural relativity was terribly important in this regard. It was not only being able to speak the language but knowing their culture, knowing their politics, knowing their economics that helped.

Obviously, in order to try to influence the course of the negotiation, I had to talk to these folk at great length. I knew how far to go in insulting them without getting killed, which I think is an inestimable advantage.

It would have been extremely difficult to do this without having that ability. In fact, there is some argument still going on in certain circles of the Department of State in the sense that whatever lessons I have adduced to the Bogota situation are not really applicable universially. They believe these were more attributes of my own peculiar and particular personality rather than something that can be trained or manifested in other people.

I'm not sure that's the case. I think that there are things that can be done to prepare people for these things, but there is no question that being able to relate to the society is one of the most important survival elements in these circumstances than anything else I can think of.

Mr. DYMALLY. Thank you, Madam Chairman.

Mrs. SCHROEDER. Congressman Gilman.

Mr. GILMAN. Mr. Ambassador, we welcome you before the committee.

Ambassador ASENCIO. Thank you, sir.

Mr. GILMAN. Mr. Ambassador, you mentioned that we ought to build the security factor into salaries. How would we do that?

Ambassador ASENCIO. I also said, Congressman, that I didn't think it was practical or feasible. The ideal would be, obviously, to take this into account. But to have to distinguish between the regular civil service and the foreign service in this regard, and the military, and what-have-you, I would imagine would be a near impossi-

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ble task. This is why, marginally, I would favor the compensation provisions you have outlined.

Mr. GILMAN. Would you have any preference for either one of the bills that have been suggested?

Ambassador ASENCIO. I like the chairperson's version.

Mr. GILMAN. What are your thoughts about whether it ought to be mandatory or discretionary?

Ambassador ASENCIO. In that case, I would probably have to cede to the wisdom of the Department of State. They are pushing the enabling legislation, and I think they make a pretty fair argument for it.

Mr. GILMAN. You also commented about trying to do something for the civilian population. Under what theory would the Government become responsible for compensation for civilian victims?

Ambassador ASENCIO. There is no question that the Government has a role in the protection of American citizens abroad. In my previous incarnation as assistant secretary for consular affairs, that was one of my responsibilities.

It would seem to me that in a situation where the passengers of an airplane that have absolutely nothing to do with the issues at hand and nevertheless get caught up in one of these circumstances specifically because the terrorists want to make a political point, and specifically to the media, and specifically as symbols of the United States, they in fact are deserving of some consideration.

Mr. GILMAN. You mentioned having some reservation about the amount of compensation that the administration had suggested.

Ambassador ASENCIO. Yes.

Mr. GILMAN. Would you care to comment about what you consider to be appropriate compensation in circumstances of this nature?

Ambassador ASENCIO. You know, $12.50 strikes me as obscenely small. I really can't imagine a formula that one could determine that would be other than arbitrary. I would imagine—for instance, that the various differential allowances we have could be used as a base; or per diem rates; or consultancy rates.

Obviously, whatever number emerges, it would have to be arbitrary by any yardstick. I'm just saying that $12.50 strikes me as a backhanded, condescending attitude.

Mr. GILMAN. Mr. Ambassador, having lived in a number of very critical and vulnerable areas, should we be doing something different than what we are presently doing to try to protect our personnel in foreign posts overseas?

Ambassador ASENCIO. That is a very, very broad question of course. I advocate certain things. I have advocated certain things in public. Some of them are being done.

One of the things that strikes me is that the so-called hardening of sites, the armored limousines, the guards, the fences, the special gadgets that protect you are all to the good. I have absolutely no problem with that sort of stuff. It protects you against the freelancer, the crazy, but what bothers me is that it doesn't protect you against the planned, concerted attack where appropriate resources are brought to bear.

I realize this every day as I get into my armored limousine and my guards come around to usher me to work. I know that if, in fact, someone really wants me, they are going to get me, and the

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potential impact of the measures taken are marginal to that. They may decide to go after a softer target. This is always possible.

But one of the things that strikes me as valid and one of the points I have made, for instance, in a book I wrote, is that at some point in the 1970's the intelligence service gave up a lot of its overseas resources that were, in fact, devoted to domestic insurgency situations. I'm talking about Latin America, the area I know; I'm not talking about the whole world.

I, for instance, when I was serving in Venezuela, and even during my service in Colombia, was involved in several kidnapping cases. When I would ask for information on the organization or the people involved, invariably the information was dated. The response I would get was, well, we used to have that organization pretty well covered, but not any more. This was due to changes in priorities, changes in budgets, changes in situations, changes in emphasis had led us to disregard this or put it down as a sort of relatively low priority.

It struck me that the only thing, really, that will protect you in a terrorist incident is to know when and where and how it is going to happen, and the only way to do that is to have a decent intelligence service.

In my own discussions with people involved in this area, I have the impression that some attention is being paid to this area but that it will be a long haul before they are operating, say, at the effectiveness of the 1950's or 1960's.

Mr. GILMAN. In regard to that, the Embassy of course has some access to intelligence personnel. Does the Ambassador have any way of making a request at the present time to look at the security of the embassy?

Ambassador ASENCIO. In Brazil, we pay a lot of attention to that aspect.

Mr. GILMAN. I would think then there is some sort of control——

Ambassador ASENCIO. Oh, absolutely.

Mr. GILMAN. What about the attention given to the security of family and to employees connected with the family, living off the post, living away from the Embassy itself or the compound? Is there a sufficient awareness?

Ambassador ASENCIO. You can never give too much attention to that aspect.

One of the problems in this particular area is that it comes when you least expect it. If you expect it, it is not going to happen. So, by definition, you have a situation.

I recall once walking by an embassy of a colleague of mine, and it had been machine-gunned the night before—the facade. There were all sorts of guards and the police were terribly alert. I said, "Well, at least no one was hurt, and now you can anticipate that your guard force at least will be on the alert." He said, "Well, I figure that will last about 48 hours, and then they'll stand down again; it's just human nature."

So eternal vigilance may be a price, but it's also a very difficult price to obtain.

So I don't think you can do enough about preparing your kids, preparing your wife, preparing your family to live in that kind of environment; it's extremely difficult.

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Mr. GILMAN. Just one last question, Mr. Ambassador. I know that Secretary Shultz has been giving a great deal of attention of late to the security of our posts overseas.

Ambassador ASENCIO. Absolutely. He walked the fence and the perimeter there at Brasilia when he came to visit me a couple of months ago.

Mr. GILMAN. What I'm asking is, is that same concern seeping down through the ranks in the State Department? I have visited some posts overseas and have found some very lax attention given to security.

Even though the Ambassador himself speaks a good deal about the need to do it and even though the State Department back here in Washington talks very stringently about it, I find that, when you get down to the gates of the Embassy, the massage doesn't seem to have gotten through.

Ambassador ASENCIO. Based on my own experience, the fact that the boss took the time out during a very busy schedule to want to check and see what the conditions were, I found, enormously impressive. It impressed the staff, impressed the national employees, and certainly left a mark.

Some of the improvements that have occurred since the visit, I think, can be attributed directly to the impression that the secretary left when he walked the grounds.

Now, obviously, there is the other side of the coin, too, and that is, certainly true in terms of Brasilia. We are not exactly a high threat post at this time. All these wonderful ideas we have to make it a foolproof place from a security standpoint run up against budgetary considerations. There are other places where such things are much more urgent and needed, and we understand this.

I would say my concern would be more that if, in fact, you have to do this sort of stuff, you can't be completely indiscriminate, you do have to assign priorities. Then these terrorist incidents also don't know borders. We don't have to be attacked by the local folk, we can be attacked by visiting tourist terrorists for any number of reasons. So you never know.

But, anyway, my own impression is that the posts I've seen recently, if there is anything that is uppermost of the minds of embassy staffs, it is security.

Mr. GILMAN. And has there been adequate training given to the security personnel at our posts overseas?

Ambassador ASENCIO. Again, based on my own experience, the security people I have are professionals. They know what they are doing, and they are human, but I have confidence in the people that are working with me in this area.

Mr. GILMAN. Thank you.

Thank you, Madam Chairman.

Mrs. SCHROEDER. Thank you.

Mr. Ambassador, just a few more things.

I think all of us hope that the Secretary of State's concern about terrorism gets to whoever is doing security in the State Department. I think the incident this last week was really traumatizing.

Ambassador ASENCIO. Absolutely.

Mrs. SCHROEDER. One of the things we heard in our prior hearing was from the family, some of the families who had been involved in

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the Iranian incident. They said that they had a lot of problems with the $12.50 per day, as you did.

But one of the things they had hoped for, since that was a particular case of state-supported terrorism, that we would unleash our own—I guess some people—and I say this as a lawyer—some people would consider them our own terrorists—our own legal profession on the country of Iran for having permitted that, and then let them go all over the world looking for Iranian assets that they could have attached, rather than do the $12.50.

I suppose it is difficult to draw any conclusion as to whether that would help with anything that looked like state-supported terrorism.

I think we might be better if we unleashed our own lawyers on any kind of assets countries had anywhere else that they could go attach for damages for that type of thing. Have you given any thought to that?

Ambassador ASENCIO. Not extensively, but one wonders about the question or subject of jurisdiction. You, in fact, then are taking action against a third country in one country against the citizens of a second country for something that may have occurred either in the third country or even somewhere else. I would imagine it would be possible to find a friendly jurisdiction, but it wouldn't be an easy task, offhand, it would seem to me.

Mrs. SCHROEDER. It seems to me, though, it might be something we should really look at, because we have several countries that are into state-supported terrorism more than others, and if we had some international agreement with certain countries, they would either be forced to keep all their assets at home all the time——

Ambassador ASENCIO. I think anything we would do to bedevil them would be justified.

Mrs. SCHROEDER. And we need to do it, I think.

I want to assure you that we are going to offer this as an amendment to the armed services bill this week, so that the military will get the same types of benefits.

I wanted to ask one last question as to whether you think the medical benefits you have now are adequate if there are recurrences from the trauma that you experienced as ambassador.

Ambassador ASENCIO. I would think so. I would wonder in fact, if these things do have a lengthy latency period—I haven't really looked into it, but I would imagine, hopefully, that I would be covered, say, after I retire.

In that sense, if there is any question about that aspect, I think the committee should look at the potential long-term effects.

I feel comfortable, but I wonder if that isn't more a function of not having really paid attention to it or whether it is something that should be looked at by professionals.

Mrs. SCHROEDER. Well, again, in closing, I just want to say that the United States and the people of the United States are very honored that you have hung in there. You have served us very well, and you really are one of the fine representatives of this country. We thank you for being here.

Ambassador ASENCIO. You are very kind. I appreciate it.

Mrs. SCHROEDER. Thank you.

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Ambassador ASENCIO. And it's great seeing Mr. Dymally again and Mr. Gilman.

Mrs. SCHROEDER. The next witness we have today is also a former ambassador to Colombia, a very distinguished gentleman that we are honored to have with us, the Honorable Thomas D. Boyatt.

Mr. Boyatt, we welcome you. The floor is yours.

STATEMENT OF HON. THOMAS D. BOYATT, FORMER U.S. AMBASSADOR TO COLOMBIA

Mr. BOYATT. Thank you, Madam Chairwoman.

I am honored and privileged to be here today as a private citizen. I want you to know that I'm here because, although retired, I'm still a Foreign Service person at heart, and I'm here to speak on behalf of Foreign Service people, and also out of respect for the chair and for this committee and what you have all done for Foreign Service employees and their families over the years.

I do not have a prepared statement. I just want to do three things. First, I want to establish my bona fides as a reliable and experienced witness before this committee, considering what you are now considering; second, to make a few comments on the bills before you; and, finally, to answer any questions that you might have.

With respect to bona fides, I retired in February of this year after a Foreign Service career of almost 30 years. During this time I was in every rank that the Foreign Service has, from vice consul to ambassador; I held the commission of every President from Eisenhower to the present one, and I served in every functional area that the Foreign Service has—political, economic, consular, and administrative. During my career I was also subject, as my colleagues here, to terrorist action of a severe sort.

I might also mention that I served in every area of the world except the Far East, having had posts in Africa, Latin America, Europe, and the Middle East.

In 1969, I was on the first TWA airplane hijacked, in August of 1969, by the Popular Front for the Liberation of Palestine. I know what it is to fly around at 30,000 feet with your hands on your head, looking at the business end of a 9 millimeter, and looking at an emotional person from the Middle East carrying a loaded hand grenade in his hand.

At that time, we flew around for a while, the airplane crash landed in Damascus, the terrorists blew up the airplane, but not before some of us had to go back to it and carry away those who had broken their legs or their ankles exiting the aircraft.

I then spent the next 2 days and 3 nights being present while the Syrian authorities questioned all of the passengers. Most of them were Jewish, since the destination of the airplane was Tel Aviv—this was in 1969, 2 years after the Six-Day War—and eventually wound up in a Syrian jail.

I have also had the dubious pleasure of going back and forth between the lines in Cyprus and having been shot at by Cypriot irregulars.

Maybe there is a message here, but the State Department sent me to replace Diego in Bogota.

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So I think just about everything that can happen to you, short of the ultimate, has happened to me in my career, and I think that gives me the right to appear before you on this subject.

In addition, I would also like to say that from 1971 to 1975 I was an officer of the American Foreign Service Association, an organization which has the statutory—now statutory—and certainly the moral responsibility to defend the people of the Foreign Service, and I'm used to operating in that role.

Finally, to differentiate myself from the distinguished colleagues behind me, I do not have to bow to the infinite wisdom of the State Department today, since I'm not appearing as a State Department witness and am only a retired Foreign Service officer.

So, on all of those grounds, I hope that you will listen to what I have to say, which won't take me very long.

First, I support your version of the bill and I oppose Congressman Mica's similar effort. My experience has been, over the years, that to allow the executive branch discretionary authority in money matters is to guarantee that nothing is going to happen. That is certainly the case with the Foreign Service Act of 1980.

You will recall that there was a provision in there for danger pay. Well, the act was passed in 1980, and during my 3 years in Colombia, from 1980 to 1983, which were certainly dangerous, the bureaucracy had not produced a viable method of factoring that danger pay into our pay, and I don't think that that's possible.

Therefore, I support legislation, particularly including your bill, which is as specific as possible.

I might tell you that in 1969, when I finally got out of the Syrian jail and got back to my post of assignment, which was Nicosia, Cyprus, I filed a travel voucher, and, as you know, in travel vouchers you have to say where you have been and what you have done and how much money you claim.

Well, I claimed per diem for the time that I was hijacked. I considered that I was doing the business of the U.S. Government. So I claimed $35 a day for the 6 days that I spent in Damascus, and I submitted the travel voucher to the appropriate authorities, and it came back with a big stamp on it, "Disapproved. That was an unauthorized stop."

I cite this because it defines the mentality of the Department's administrators. I don't say this in any pejorative or accusatory fashion, but the fact of the matter is, if you have a very discretionary bill and you turn it over to the accountants and the budget people, what they come back with, in my experience, is not going to achieve the goals of the original legislation.

I support your bill strongly as opposed to the other bill, but I do have to say, Madam Chairwoman, that I do not think your bill goes far enough. I would specifically recommend, in addition to including the military and including foreign service nationals, and congratulating you for the provisions that it does contain, that you add two fairly simple and fairly specific provisions.

First, with respect to compensation for kidnaped Government employees, I think that you should not insult people with $12.50 a day. Nor should you make it discretionary. I would recommend that you have a very simple provision that says any U.S. Government official who is detained in a hostage situation of any kind re-

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ceives the maximum per diem for that location during the time that that individual is incarcerated or is a hostage.

It's simple, and it's direct, and it will avoid arguments about what it should be and what it shouldn't be; that's what it is.

Second—and I don't know whether this bill is the proper vehicle, but I wish that this committee at some point in its deliberations would give some thought to the survivors of those who are killed in the diplomatic service and in the Government service in general while serving their country abroad.

Since the early 1970's, I have had nine personal friends who have been butchered either by bullets or bombs, and, as far as I know, there is no special provision for survivors in that case.

One may or may not have the Federal insurance available, but I think that in this connection I would recommend to you as well something simple, which would involve the payment to the survivors of a terrorist act in which an official of the U.S. Government is killed. If the Government person killed is single, one basic FEGLI unit to his or her survivors. An FEGLI unit is the salary rounded off to the nearest thousand plus $200. If the deceased has a spouse, two FEGLI units; and if that individual has a spouse and a family, then five FEGLI units.

I remember in 1974 when Ambassador Davies was killed in Nicosia, his wife had died 6 months before that, and we all went out to the airport to receive the remains. I couldn't help thinking, if all the money that had been spent on the limousines and the security and the airplanes and so on involved in receiving Ambassador Davies had been put into a trust fund for those two children, they would have been a lot better off.

At some point, and the sooner the better, given the realities of today's world, I think the committee has to take a very hard look at that.

Diego said something that I think is quite accurate. The one thing that you can do for somebody in these circumstances is give them the peace of mind that their family is provided for, and that applies whether you are kidnaped or killed, and this committee has it in its power to do so, and I hope you would do so as soon as possible.

Apart from that, Madam Chairwoman, I have nothing further to add. I would be glad to answer questions.

Mrs. SCHROEDER. Thank you very much. We are really pleased that you could be here because of your terrific experience. I will defer to my colleagues first and then ask questions.

Congressman Dymally.

Mr. DYMALLY. Thank you, Madam Chairman.

I am very pleased to note that there is life after the State Department, and I commend the Ambassador for his refreshingly candid comments.

Let me throw a couple of tough ones at you, considering the fact that you don't have to go back and change your answer; you're not in the State Department any more.

The Secretary of Defense suggested that in times of crisis with terrorists, the press may be playing a counterproductive role, that these terrorists are in fact playing up to the press, and the more coverage you give them, the more they display their terrorism.

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That is a very tough first amendment problem to resolve. Do you have any thoughts about that?

Mr. BOYATT. I agree with the Secretary of Defense. I'm not sure how one solves the problem other than exhortations. I mean, obviously, we are not going to limit our first amendment rights in order to deal with this. But I have to say, when I turned on the televison the night of the recent hijacking, of course all three major networks were interviewing a whole host of alleged Shiite scholars who were telling us that these lads are idealists. It's as if right after the invasion of Poland we invited Herr Goebbels to explain the Nazi side of the case.

I have real trouble with that, because I do think the press serves terrorist ends. The problem is, I don't know how you solve that problem without creating a bigger one, other than asking that the media not glorify the terrorist role and that they try to understand what they are up to and at least not serve their purposes.

Mr. DYMALLY. During the negotiations between Ambassador Habib and Saab Salaam and Chairman Arafat, a delegation from the Congress visited Lebanon, and Saab Salaam said that the absence of peace in the Middle East would be terrorism, that the United States had to move aggressively to bring about a peaceful resolution of that conflict there, or else we would see—and he was very prophetic—the kind of terrorism we are experiencing now.

Having served in the Middle East, do you think we can eliminate the acts of terrorism that we are experiencing now unless we address the basic issue, the problem, not the cause—that is, bringing about some peaceful resolution of the conflict between the Middle East countries?

Mr. BOYATT. Well, sir, I have my own vision of what is happening in the world, limited in condition no doubt by my own experience, but what I think one sees is a worldwide deterioration in the economic situation, in the human situation, the spread of weapons, the acceptance of terrorism, an international system which, either through great powers or otherwise, has no means of imposing some order.

I regret to tell you that I do not think a solution of the problem in the Middle East would stop terrorism, because there would still be plenty of other problems where terrorists would seek a terrorist solution or an effort to impose their particular view—Sikhs in India; I think we have had two recent dramatic examples of that.

This is not to say that we shouldn't aggressively pursue a solution in the Middle East, and in fact I think this administration is pursuing such a peace, but even peace in the Middle East is going to leave several rejectionist fronts and disaffected groups, and I think we are going to have to find some practical on-the-ground way to cope with terrorism in order to stop it. I don't think you are going to stop terrorism worldwide with a Middle East solution, because there will still be all of the other problems.

Mr. DYMALLY. Thank you, Madam Chairman.

Mrs. SCHROEDER. Congressman Gilman.

Mr. GILMAN. Mr. Ambassador, we welcome you to our committee.

Mr. BOYATT. It's good to see you again.

Mr. GILMAN. I might just comment to my distinguished colleague from our Foreign Affairs Committee that we also have terrorism,

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of course, in Japan with the Red Guards, and Germany with the Meinhoff Gang; in India, the Sikhs are engaged in some terrorist activities; in Sri Lanka, I guess, the Tamils; in Ireland, we have some of the IRA involved; and Armenians in Turkey. I don't think it's just a matter of settling the Middle East problem. We have got to examine the problem worldwide and try to find some solutions worldwide.

I have just come from a meeting with our European parliamentarians over the weekend. Fortunately, we do have the cooperation and the concern and willingness to try to find some international solution to the problem. It is not going to be easy to combat this wave of terrorism that is stretching across the globe, and it's not just a matter of settling a problem in one nation.

With regard to the measure before us, Ambassador Boyatt, do you favor a mandatory or discussionary approach to compensation?

Mr. BOYATT. Mandatory and specific. You set the amount. Don't leave it to somebody else to do that.

Mr. GILMAN. With regard to an amount, do you have any standards in mind or any criteria?

Mr. BOYATT. Yes. I have been out now for a couple of years, so I don't know where the per diem rates are, but I would pick the maximum per diem rate for the area where the hostage becomes a hostage.

Incidentally, under that provision of law, had the people who were held as hostages in Tehran been there on temporary duty, I believe they would have received $50 a day without having to submit receipts for meals and lodging.

It seems only logical to argue that, however reluctantly, they were, at a very minimum, carrying out the business of the U.S. Government at the same time, so why shouldn't they receive $50 a day under those circumstances? That maximum per diem would be my criterion.

Mr. GILMAN. With regard to educational and medical benefits——

Mr. BOYATT. I support the benefits as outlined in the chairperson's bill.

Mr. GILMAN. And I think you commented on a death benefit as well to the victims.

Mr. BOYATT. Yes.

Mr. GILMAN. It seems that that would certainly be an appropriate remedy. We provide a lump sum for police and paramedic people who are engaged in fulfilling their responsibilities who are killed in the line of duty.

Mr. BOYATT. Yes, sir.

Mr. GILMAN. It would seem to me that we ought to be able to do something of this nature.

Mr. BOYATT. I quite agree.

Mr. GILMAN. I addressed some of these same questions to Ambassador Asencio.

Are you satisfied, at the time that you left your post, with the kind of security training and arrangements and security provisions that are being made in our foreign posts, as undertaken in our foreign posts at the present time?

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Mr. BOYATT. That is a very difficult question. Let me tell you what worried me.

Mr. GILMAN. I hope you would speak frankly, because our committees have been looking into this issue and are trying to beef up whatever we can in this direction.

Mr. BOYATT. Congressman Gilman, you don't remember the Cyprus situation in 1974, but I spoke frankly to you then when I was just a middle level career person in the Foreign Service. You can be sure I will speak to you frankly as a retired ambassador.

My concerns are three. One, I think we put too much emphasis on defending buildings and not enough emphasis on keeping people alive.

Two, it used to worry me terribly as I would get into my armored car with my six bodyguards and a lead car and a follow car in Bogota, realizing that my No. 2 had half as much protection as that and realizing that the people below him and so on down the line had less and less.

If you believe in the doctrine of least resistance, I was very concerned about the vulnerability of the middle ranks on down: If you can't get the Ambassador because that is too expensive, pick on a first secretary.

That, in turn, leads me to just two generalizations for what they are worth. I think first we ought to make a real effort to reduce our exposure in terms of numbers of people in areas of terrorist threat.

I, frankly, believe that there were far too many people in the Embassy in Tehran when it was taken for the second time. As a friend of mine outside of the Foreign Service put it, instead of having all those people there, why didn't you just have one junior officer and a very vicious dog?

You know, there is something to be said for reducing the target and reducing the profile, and in terrorist areas there is something to be said for dramatic reductions along those lines.

Second, I think—resources are, of course, a problem, but more attention ought to be paid to keeping the people alive than to keeping the buildings unpenetrated, although the two may be linked, as they obviously were in Beirut.

On the whole, I would say that we are doing a pretty good job in a very difficult situation.

Mr. GILMAN. At the time you retired this past February, what was the training like? Was it adequate enough for security people? Did you feel that we were doing a proper job in preparing people for the kind of exposure to the threats that were out there?

Mr. BOYATT. Yes, sir.

My sense of it was that it was getting better all the time, the more attention was being paid to it; more people were getting trained.

Mr. GILMAN. Was the emphasis on security seeping down through the ranks to the people that had to carry out the secretary's mandate to beef up security?

Mr. BOYATT. I think so.

Mr. GILMAN. A comment was made—I think it was Ambassador Asencio—that we should consider providing some benefits for the

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civilian population that may be caught up in the process. What are your thoughts about that?

Mr. BOYATT. I agree with that in general, and for the same reason. It gets back to a fundamental responsibility for Americans abroad, but I really haven't given that much thought.

Would that be in this committee's jurisdiction? No.

Mr. GILMAN. Well, there is some question as to whether or not it would be. We might consider it at the same time we are considering the bill and make some recommendations to whatever committee might consider.

Mr. BOYATT. Are you talking about civilian employees? No.

Mr. GILMAN. We are talking about civilians in general who are caught up in this same thing that our foreign post employees would be caught up in.

Mr. BOYATT. Well, I think you should think about it.

Mr. GILMAN. Well, I think we have gotten some food for thought already out of this set of hearings.

Any further recommendations you might want to make with regard to the terrorism problem while you are here before us?

Mr. BOYATT. No, sir. I would be delighted if the recommendations I have already made were turned into law.

Mr. GILMAN. Thank you. Thank you for appearing. It's nice to see you.

Mrs. SCHROEDER. Let me ask you, did you ever get anything for your days in the Syrian jail?

Mr. BOYATT. Oh, yes.

Mrs. SCHROEDER. You finally did?

Mr. BOYATT. When I received that travel voucher, and it said, "Disapproved. That was not an authorized stop," I went to my Ambassador, who was a very lively fellow—still is a very lively fellow—and I said, "Toby, either you get me this $165, or I'm taking this to my friends at the New York Times."

Mrs. SCHROEDER. Very good.

Mr. BOYATT. I got the money.

Mrs. SCHROEDER. So the press isn't all bad.

Mr. BOYATT. Oh, no.

Mrs. SCHROEDER. How many days then were you there—3? How long were you in the Syrian jail?

Mr. BOYATT. Six, I believe. I wasn't in jail the whole time. I was present at the interrogations most of the time.

Mr. DYMALLY. Madam Chairman.

Mrs. SCHROEDER. Yes, the gentleman from California.

Mr. DYMALLY. Why were you put in jail, considering the fact that you were an official of the U.S. Government?

Mr. BOYATT. You must remember, this was the first hijacking. We were all making it up as we went along. I pulled out my black passport—I wouldn't do that today, because I think it's a sure ticket to assassination—and I said to the Syrians, "This is an American flag; I'm an American diplomat; these people are under my protection." You know, my protection and 5 cents would have gotten you a cup of coffee under the circumstances.

But as a legal matter, and for some period of time, they accepted that argument, and when I said I wanted to be present at the interrogation of all the passengers—and remember, they were 85-per-

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cent Jewish—not necessarily Israeli—and this was 2 years after the Six-Day War, I tried to maintain a legal position, and did, until they got tired of me, and then they threw me in jail.

Mrs. SCHROEDER. That's an incredible story.

Mr. GILMAN. If the chairwoman would yield.

Mrs. SCHROEDER. Certainly.

Mr. GILMAN. You touched on the passport situation. There has been a great deal of comment since this recent incident that has taken place about the utilization of official passports and military passports. Have you any thoughts about whether or not we should be making some changes with regard to the utilization of passports by officials and military personnel traveling in these areas of vulnerability?

Mr. BOYATT. Well, I'll tell you what I've recommended to my company, and that is that none of us carry any identification that would show that we ever had any connection with the U.S. Government—you know, retired military officers, and we have one or two former congressional people in the company as well as one or two former diplomats.

My recommendations will be—and we are going to be looking at that this week. I'm going to recommend that, whatever we are entitled to, that we use regular passports and carry no official identification whatsoever, and for the reason that you are getting at. Now, how the U.S. Government would want to deal with that is a much more difficult issue.

Mrs. SCHROEDER. One of the concerns that we heard in 1980 was that if we granted benefits to hostages it would make it easier for the terrorists to continue to hold them. Do you think that is a valid argument?

Mr. BOYATT. No, I don't. I think that's baloney. That's a money saving argument; that's what that is.

Mrs. SCHROEDER. That's somebody who doesn't want to sign the check.

Mr. BOYATT. That's right. That's a ribbon clerk conspiracy.

Mrs. SCHROEDER. Exactly.

The other thing that we hear from the administration is, they'd like to make the benefits discretionary because they think that's the way to influence conduct by the hostages.

Mr. BOYATT. How would that discretion work?

Mrs. SCHROEDER. I guess they figure that somehow word might trickle back if you weren't a good hostage, then you wouldn't get your money. I really am not sure that would enter anybody's mind, but, literally, people who are rational human beings testify that that's why it's necessary to make the payment discretionary.

Mr. BOYATT. I would hope not. In any case, regardless of what you have been told by the executive branch in that regard, my strong recommendation to you is that you not make it discretionary (a), and (b) that you make it very specific.

Mrs. SCHROEDER. I think also the point about families—I mean, families need this aid, and they are obviously there, not because they want to be there, and it certainly shouldn't be discretionary toward them.

Mr. BOYATT. Yes.

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Mrs. SCHROEDER. Could you tell us a little bit about your life as Ambassador in Colombia? When you came in as Ambassador, it was after Ambassador Asencio had been a hostage. Did you find your life as Ambassador fairly constrained?

Mr. BOYATT. Yes, very constrained.

One is tempted to say something about closing the barn door, but we learn from what happens, and we instituted very severe security measures there and, in spite of the fact that the left wing and the drug people both made several attempts to get at me and have made several attempts to get at my successor, they were not successful.

In most cases, they were discouraged, and we know something about this, because we are doing a little better on the intelligence side than we used to. They were discouraged or diverted to other targets and, in a couple of cases, were pretty badly shot up because we knew they were coming.

I'll tell you one thing that I didn't get used to, Madam Chairwoman, and no one ever will, and that is to having somebody call you up on the phone or write you a letter and tell you that they are going to kidnap or kill your infant son. That's a little hard.

Mrs. SCHROEDER. I would think that would be very difficult. Well, being a hostage is incredibly hard—none of us can imagine what that is like. I still think living under that kind of pressure and them taking it out on your family, or saying they are going to, would also induce an awful lot of stress.

Mr. BOYATT. Yes, it does.

Mrs. SCHROEDER. So, then, for the hostage benefits, I think you make an excellent point. I like your idea of per diem.

Do you think that there should be any difference in hardship? Is there any way to measure how some situations for some hostages have a heavier hardship component than others? Have you ever thought about that?

Mr. BOYATT. I really wouldn't get into that. My basic approach is, the less discretion the better.

Mrs. SCHROEDER. A formula, it's there, it's automatic——

Mr. BOYATT. And mandatory.

Mrs. SCHROEDER. And mandatory.

Mr. BOYATT. And specific.

Mrs. SCHROEDER. Well, I think you are right, we are going to see more of this. Before I came over here, I was meeting with people who represented some of the main train companies in America, and they said, "We're so glad it has moved beyond trains," and I thought, "Oh, my goodness, I suppose there was a day when you had the great train robberies, and so forth." But this seems to be so much more devastating and so much less able to control that it is really quite frightening.

You are dealing with an international company right now that also goes abroad. So you have to deal with security there. Do you find that is as difficult as the Government? Is there a difference between being a civilian and being an ambassador?

Mr. BOYATT. Yes. It's a lot safer being a civilian.

Mrs. SCHROEDER. You don't feel under the same threat?

Mr. BOYATT. No, absolutely not.

Mrs. SCHROEDER. The letters don't come for your son.

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Mr. BOYATT. That's right. It would just be bad luck and not because somebody went after you because you were a symbol.

There is another big difference, too, which I hesitate to bring up, but Diego and I have both been through it, and that is that, by and large—in fact, almost always in my own experience—in kidnap situations, companies pay and the U.S. Government doesn't. For better or worse, however you argue it, that is a difference.

Mrs. SCHROEDER. Do you have any idea what companies usually pay? I suppose it differs with the company.

Mr. BOYATT. And the country.

Mrs. SCHROEDER. And the country.

So they do take into account a danger factor a little bit more for a country.

Mr. BOYATT. Oh, I'm talking about pay to get hostages back.

Mrs. SCHROEDER. Oh, I see what you mean.

Mr. BOYATT. But they also pay more in salaries.

Mrs. SCHROEDER. Sure. They pay in more ways than one.

Mr. BOYATT. But they do have a danger component, and, again, it's applied across the board and not, you know, bureaucratized out of existence.

Mrs. SCHROEDER. Well, I thank you very, very much.

One second. I think we have some more questions.

The gentleman from California.

Mr. DYMALLY. Do you think our civilian intelligence in these foreign countries is adequate?

Mr. BOYATT. No, sir.

Mr. GILMAN. Madam Chairman, one question.

Mrs. SCHROEDER. The gentleman from New York.

Mr. GILMAN. As we explore better ways of confronting this war against terrorism, do you have any recommendations of what our Nation should be doing, besides the compensation for the victims?

Mr. BOYATT. Do you mean in an active institutional sense?

Mr. GILMAN. Yes.

Mr. BOYATT. I think, sir—and I really regret having to say this—well, we certainly should pay a lot more attention and put a lot more resources in on the intelligence side, but I think in the end we have to at least think about retribution. I hate to say that, but I'm afraid that my own experiences with the situation and the logic of it impel me in that direction.

None of my Soviet friends have had any of their colleagues shot to pieces or blown up, as I have had happen to my friends. Nor does it happen to the Israelis or to anyone who takes a tougher line.

I cannot, as a civilian and somebody who is outside, presume to recommend what those on the inside should do, but I do think that the world has deterioriated to the point—and it is going to stay deteriorated because the long-range forces that are causing that deterioration are not going to be cured overnight—that we at least have to consider that.

Mrs. SCHROEDER. The preventive measures, too, are some of the things that we don't focus on enough. When these incidents seem to be over, we are so relieved that we don't sit down and analyze, was there anything else we could have done to have prevented this. As you pointed out, your friend said why were we spread all over

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the map in Iran, and why didn't we have a fierce dog and a junior grade officer?

The amazing thing to me, to show how effective we could have been on prevention, was seeing when the President recommended that Americans not go into one airport, thousands of people canceled their reservations. That is a powerful position.

Mr. BOYATT. Yes.

Mrs. SCHROEDER. And had we used it earlier, had we had a mechanism for making some rational decision for when to use that kind of power, it seems to me we could do that to make countries take notice.

I guess your experience as an ambassador has been, if the United States ever declared a country unsafe for tourists, they probably would come at you as the ambassador and say, "What do you mean?"

Mr. BOYATT. But it is an option, and it's a very effective one.

I think, Madam Chairwoman, the problem is that we do not accept the reality that this is a permanent state of affairs, and it's going to be with us, regardless of whether we solve the Middle East problem or not, in greater degree if we don't, but it's a function of some very broad developments in the fabric of international society as a whole. It's going to be there, and we're going to have to start thinking about it as a long-term problem, and part of that would be to take a very hard look at preventive measures, redirection of resources, and those things that we can do.

Mrs. SCHROEDER. I think that's one of the lessons of the last few weeks, that it's so hard to retaliate, because you don't know who to retaliate against in so many of these situations. It's easy to get caught up in the rhetoric of it, and we are all angry, and we want to kick walls, but we don't know which wall to kick.

Mr. BOYATT. But we should study it.

Mrs. SCHROEDER. We should study it very carefully.

I think your point on intelligence is very key, because if you don't have good intelligence, obviously, you don't know what you are dealing with.

But I also think that we have been very lax in pretending that this was never going to happen again—when each one was over saying, "Oh, that's it; now, wow, aren't we glad we got out of that?"—without the anticipation that there could be another one coming down the road, and what could we do to prevent it.

Mr. BOYATT. Exactly.

Mrs. SCHROEDER. I think your experience in Colombia—there were attempts, but at least they didn't get you—shows that prevention can work if we think about it.

Mr. BOYATT. And if we put the resources into it.

Mrs. SCHROEDER. With the resources—exactly.

Thank you again for being here.

Mr. BOYATT. Thank you for the opportunity.

Mrs. SCHROEDER. I really appreciate your coming and helping us.

Mr. BOYATT. It's good to see you all again.

Mrs. SCHROEDER. We have two more very distinguished witnesses that I am going to call up together, because they were both hostages together, although they are now doing different things.

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The first is the Honorable L. Bruce Laingen, who is the vice president of the National Defense University; and the second is Alan Golacinski, who is the chief of education and training, Office of Security, for the Department of State.

We are very honored to have you here.

I think one of the very touching things about these hearings is confronting the American image of what the foreign service is about. So often, the foreign service is portrayed as wearing candy-striped pants and spending their whole time deciding what kind of cocktail they are going to have.

I think of late we have learned that it is indeed a very dedicated, underpaid, and often under-appreciated group that is out there representing the United States all over the world. You two have certainly earned your stripes and understand what that is all about.

You may proceed however you want. Do you want to flip a coin, or have you any preference as to who goes first?

Mr. LAINGEN. Madam Chairperson, I will go first, because Al gave me the hand, and only for that reason.

STATEMENT OF HON. L. BRUCE LAINGEN, VICE PRESIDENT, NATIONAL DEFENSE UNIVERSITY

Mr. LAINGEN. I want to thank you and the other members of the committees for the support you are giving us in the Foreign Service.

You have just made reference to what, in effect, has always been a problem in our Service—we don't have a real constituency out there—and you are helping us develop that, and I suppose one of the side benefits, if you will, of terrorism of the kind we have experienced in recent years, and particular that in Tehran, is that we have now a new and better constituency among the American public. The Foreign Service is a little better known for at least the kind of stress and strain it experiences.

I am here not as a spokesman for the State Department; I'm a serving Foreign Service officer assigned to the National Defense University. I was head of the mission in Tehran, as you know, but I don't come here professing to speak for them, and I don't think Al Golacinski does either. We each will speak for ourselves.

Let me say, Madam Chairperson, in the context of that observation, that we have two more of our colleagues in the rear of this conference room; Bruce German and Gary Lee, who are also attending this hearing.

These gentlemen and ladies—there were women among us as well—will forever be, for me, among my more favorite people. My respect for them is undying for the role that they played and the conduct that they demonstrated in the context of that crisis, all of them experiencing more difficult circumstances than I did, as you may recall my particular circumstance.

I am here as a private person, as a serving Foreign Service officer, to endorse and support the legislation involved in these two particular bills. I don't have any particular preference for them. I think they are simply long overdue, and that we should get on with focusing on the provisions that this legislation would provide.

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In saying that, in the context of my own experience, I am not in any way suggesting that we haven't already been, if you will, compensated as a group of Americans caught up in that crisis in Tehran during that time. We have indeed been compensated in the sense that we had the tangible benefits of the act of 1980. Assuredly we have also been compensated in the way in which the entire American public reached out to us, both during the time we were held and in that remarkable celebration of freedom that we experienced on our return. We have had, if you will, a remarkable nationwide outpouring of TLC—tender loving care—and we are forever in the debt of our countrymen and women for that.

But other things are overdue, I think, and I am simply reaffirming what my colleagues who have already spoken from this table have said. This legislation is overdue as a general provision of law because of the likelihood of continued terrorism on the world scene. The scourge of terrorism, particularly as it affects diplomats, is going to be with us, and it is going to be around a long while. Diplomats, being what they are, a very visible and useful and available targets.

Also, it is morally right, I think, that the American public and their Government provide such assistance to those who are caught up in this kind of situation, and I would simply reaffirm what my colleagues have said about the particular significance of this legislation as it benefits, and supports, and helps family members.

Others have said that in Tehran and, indeed, in most terrorist situations, family members back home are as much victim as anybody else. Indeed, all of us coming back from the Tehran experience saluted our families as the real heroes in that crisis because of the way they had borne up in that crisis.

It is obviously important in today's world, particularly for those assigned to any area of stress, that their families, before they go, and the serving officers or personnel as well, have some indication before they go, as would be provided in this proposed legislation, that the needs of their families, should danger strike, will be taken care of by their government back home.

I would only make two specific points with respect to the draft legislation. I believe strongly that it should encompass military personnel as well. I would regret seeing any kind of discrimination even implied in that kind of absence from the law. We are all in this together. Indeed, military personnel, serving especially in embassies overseas, are what they are: a part of the larger Foreign Service of the United States.

Second, my two colleagues who preceded me have both referred to the fact that the Foreign Service can't function without Foreign Service nationals, without employees from the host country, to make it possible to have some continuity in our purposes, some expertise that remains, given the fact that we are, by and large, in the professional Foreign Service a very transient group indeed.

That is the extent of my statement, Madam Chairperson, except to say with reference to your comment about railroads that we shouldn't forget that there was a very serious case of terrorism directed against a railroad train in the Netherlands some years back involving the Moluccans and the Dutch.

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Mrs. SCHROEDER. That's true. Exactly. I guess what he meant was at least domestically we haven't had one for a time.

Mr. LAINGEN. That's true.

Mrs. SCHROEDER. At least out where I live in Colorado, we've stopped most of those freight train robberies.

Mr. LAINGEN. We have been remarkably fortunate as a country, as a people, to have had as limited an amount of domestic terrorism as we have had.

Mrs. SCHROEDER. That's right.

Thank you very much.

Now we will turn the floor over to you, Mr. Golancinski.

STATEMENT OF ALAN GOLACINSKI

Mr. GOLACINSKI. Thank you, Madam Chairperson.

I would like to make a very brief statement, and then I'd be prepared to answer any of your questions, if I may read it.

There is an absolute need for permanent legislation to provide for the unique needs and circumstances our employees and their families are faced with before—and I'd like to underscore that "before"; I'm not sure that has been adequately addressed—during, and after a hostage situation.

That's it.

Mrs. SCHROEDER. That's a very good—you should run for Congress. That's so terse, it's wonderful.

Congressman Gilman, do you have any questions?

Mr. GILMAN. Yes, thank you.

Directed to both the panelists, you have heard the comments made about the amount of compensation. Do either one of you have any suggestions?

I did want to welcome particularly Bruce Laingen and Alan, whom I had an opportunity to greet when they first landed at West Point a few years back, and we still remember that very happy day. We hope we will see a good ending to the present situation that we are confronted with.

With regard to the amount of compensation, do either one of you have any recommendation with regard to the rate of compensation?

Mr. LAINGEN. Mr. Gilman, I want to thank you on behalf of all of my colleagues in the Tehran experience, arriving back in West Point, Newburg, your district in New York, for one of the more remarkable experiences of that drama that we went through.

Mr. GILMAN. That will long live in the memory of our constituents who were there to take part in that happy occasion.

Mr. LAINGEN. I am prepared, myself, to support the Mica bill with reference to making this something that can be discretionary as far as the Government is concerned. I think I'm prepared to go along with the decision of my chiefs, if you will, in government.

This matter as to what the amount of compensation should be, as you know, was the subject of long and continuing discussion in the Presidential Commission that did eventually recommend $12.50 a day, that being in line with a precedent affecting prisoners of war going a long way back, and I think that's not a bad formula to follow.

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That said, I think there is also something to be said—I hadn't really focused on what Tom Boyatt had suggested with reference to making it in the context of the maximum per diem rate of that particular day, for that particular region.

Mr. GILMAN. Alan, do you have some comment on that?

Mr. GOLACINSKI. Yes, sir, if I may.

I'd like to skirt the issue of the exact amount for a moment and propose my thoughts on this.

From the very beginning, my feeling has been—and I won't speak for all of my colleagues, but I know some of them share this opinion—that Iran should be made liable to pay for the physical abuse and mental anguish that we went through.

This has been precluded in the courts. We understand that.

I would go back to what Ambassador Asencio said moments ago, and that is the ethical question, and that has weighed very heavily on me.

My point still is that Iran should be made liable. How do we go about doing that? I'm certain that at some point Iran will want to reenter the civilized world, and I would propose that at the time that Iran wishes to reenter the civilized world and, for example, reestablish relations with us, and when we are prepared to reestablish relations with Iran, that this be made a price of reestablishing the relations.

I can't fix an amount on this. The only thing I would say in furtherance of the argument I have just proposed is that the U.S. Government, acting as our agent or acting on our behalf, may wish to go ahead and make the payment prior to that and make that a condition of reestablishing—one of the ocnditions of reestablishing relations.

Mr. GILMAN I'd like to also ask both of you a similar question I addressed to Ambassadors Asencio and Boyatt with regard to the security that we have in our existing posts, and the training and the provisions for the security. Are both of you satisfied that we are doing what we should be doing, or do you have any recommendations with regard to what we are doing?

Mr. LAINGEN. Mr. Gilman, Mr. Golacinski can speak to that more directly than I can. Let me simply say this, that I have the feeling now—indeed, I have the awareness—that we have the fullest cooperation from the Congress in terms of the financial resources necessary to strengthen our defenses.

We have the most active involvement that I think we can expect from a Secretary of State in terms of his own personal interest in that issue of protection and security, meeting as he does, as I understand it, every morning with the personnel on his staff concerned with the terrorist threat.

I welcome that—I'm sure you do—that we do our best, we provide the maximum degree of protection that we can find, recognizing that that is what it is, a stopgap, if you will, that protects our personnel overseas while we, over the long term, focus as well on removing some of the causes for that kind of danger.

I am not suggesting, in saying that, to defend the terrorists as having any particular kind of grievance or make any ruling or judgment on those grievances, but one of my concerns in the context of what we are going through today with the preoccupation

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and focus—heavy interest—that is now abroad relating to this particular incident in Beirut, that we not let our efforts drift in terms of getting that peace process in the Middle East resumed in some meaningful way, because in the Middle East that is going to be terribly important for at least reducing the threat of terrorism.

I agree with Mr. Boyatt; it's not going to reduce it or eliminate it—that's out of the question—but if we had some meaningful movement in the peace process, again, that would at least begin to reduce the degree of the threat.

Mr. GILMAN. In that part of the world at any rate.

Mr. LAINGEN. I'm speaking now about the Middle East specifically.

But in that context as well, I was in El Salvador recently on a trip with the National War College and its students, and I saw evidence there of perhaps the most fortified embassy that we have anywhere in the world today, and yet we have today the tragedy of the four Marines and the two civilians and the other citizens of that country gunned down.

There is a limit to what you can do to squirrel away everyone, if you will, inside of a fortification. But at the very least, an American Foreign Service practicing overseas has to go outside of its building occasionally, and it's very difficult to provide that kind of maximum protection all the time.

Mr. GILMAN. I understand, too, that they did not abide by some of the security guidelines that had been suggested to them in their training.

With regard to training, do you provide any courses in terrorism at the National War College?

Mr. LAINGEN. Not specifically designed as training, but we do have, as a part of our curriculum, case studies that focus on terrorism, and assuredly when we leave there we have that kind of heightened awareness of the danger out there.

Mr. GILMAN. Alan, did you have some comment you wanted to make with regard to our security and training in our posts overseas?

Mr. GOLACINSKI. I imagine that I'll be crossing the line here from private witness. I am the Chief of Education and Training for the Office of Security. I'm sure my views will be somewhat parochial.

I believe we have made significant strides. I have been in this position for approximately the past 3 years. I will be leaving this job this Friday. However, when I first took over the office, we had 12 people in the office; today, it numbers almost 40, and we have plans for even greater expansion.

I believe that our efforts have been redoubled. I know that we have made significant strides in terms of the courses that we present, not only to our security specialists, who will serve as security officers overseas, but also special agents here domestically, but also to our Foreign Service personnel in general.

So I believe, and also with the great amount of funds we received under the security supplemental just last year, we are doing quite a bit in terms of improving security.

Mr. GILMAN. Is there mandatory training now for a Foreign Service officer before he goes into a post in a critical area?

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Mr. GOLACINSKI. Yes, sir; there is. It doesn't only have to be a critical area. All of our personnel who will be assigned abroad are required to take a coping with violence abroad seminar. It is a 1-day seminar which addresses terrorism and other security concerns in general, and once they arrive on post, they are then given a 1-day post specific briefing.

Certainly a person going to Moscow will have different security concerns than one going to Beirut.

Mr. GILMAN. Are families encouraged to attend those training sessions?

Mr. GOLACINSKI. That's correct. Adult dependents are encouraged to attend.

Mr. GILMAN. Ambassador Laingen, your wife is well known to the American public as a result of the tragedy that occurred. Do you know her views on the provisions to provide educational and medical benefits for family members with regard to treatment as a result of one of these episodes?

Mr. LAINGEN. She would be 100 percent in favor of the maximum provisions.

Mr. GILMAN. And are you in accord with providing those kinds of benefits?

Mr. LAINGEN. Yes, indeed.

Mr. GILMAN. Alan.

Mr. GOLACINSKI. Indeed.

Mr. GILMAN. The same question I asked of our other panelists: Any recommendations that either one of you might have with regard to our fight against terrorism and what our Government should or could be doing?

Mr. LAINGEN. Mr. Gilman, those who spoke before we came to the table emphasized what is perhaps obvious, but too often not played up enough, and that's intelligence. Information—overt, covert, from whatever source—obviously, is your first line of defense against terrorism, and everything we can do to strengthen our capacity in this area is vital.

I would lay out one other point beyond what has already been mentioned or discussed, and that has to do with multilateral cooperation. We had multilateral rhetoric miles long during the Iran crisis. We didn't have action. We didn't have the teeth that are necessary to go along with that rhetoric.

That is a problem of course in any circumstance, in any situation, affecting the world in which we live—how you achieve that kind of enforcement mechanism in the many conventions, agreements, treaties, on the international scene.

In Tehran, I think at least the crisis was affected eventually by the pain, if you will, that the Iranians began to suffer materially, economically, diplomatically, politically, as that thing went on, and if we could have had more effective multilateral cooperation earlier, conceivably a case can be made that the crisis could at least have been shortened.

The Vice President currently, as I understand it, is on a trip to Europe. It has that as one of its principal foci, to get that kind of greater cooperation, and I would only say God speed, that we at least continue to work in that direction.

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We have had, with the summit seven, in past years, considerable focus on that subject. I personally regretted not seeing any reference to the continuing danger of terrorism in the document that came from the Bonn summit this year.

I would cite one example today that I think everyone should look at as a place where perhaps some pressure can be applied on the multilateral scene, granted how difficult it is to implement what I am just saying.

As you know, some months ago two Americans were murdered on the tarmac—killed in the context of a hijacking involving a Jordanian aircraft that eventually ended up on the tarmac in Tehran.

So far as I know, sitting here personally as, if I may, a private citizen, I'm not aware that the Iranians have taken any action as yet to prosecute those hijackers, contrary to their obligations under the Hague conventions and their obligations as well in moral terms to the entire world scene.

I regret that in some fashion the international community—at least the summit seven, the International Air Pilots Association, or whatever—have not taken some action to dramatize that and make it heard.

Flora Lewis, the columnist, has a very good column today on the op-ed page of the New York Times in which she has some ideas about dealing with terrorism. She makes the point, among others, that international legitimacy is a very attractive thing for any government, a necessary thing for most governments, and, as she said, even for despots and dictators, that matters.

I think something can be done beyond what we are doing today in the international arena among at least friendly foreign governments to make it hurt among those who practice what we call state terrorism, or who if not practicing it, at least are encouraging it by rhetoric and example.

Mr. GILMAN. If our meeting this past weekend with our European parliamentarians is any indication of the kind of cooperation we can anticipate receiving, I would say it has heightened considerably as a result of the events of the past few weeks, and there was a strong feeling of a willingness and a desire to work closely together in this battle against terrorism.

You mentioned, Mr. Laingen, that there should be a greater emphasis on intelligence gathering. It struck me that, with regard to the Tehran incident, there was almost an utter lack of information of the security threat.

I recall we were there about a year before the problems in Tehran, and there didn't seem to be any indication of any concern about what was about to take place, or had any indication it could take place.

Did you find that you had a lack of that kind of information about a year or so before the events took place in Tehran?

Mr. LAINGEN. I can only speak for the time when I was there. I came there after the revolution, and obviously much can be said about the quality of our intelligence or reporting and so on, if you will, at times during the years preceding the revolution.

After the revolution and during the time I was there and leading up to the hostage taking, yes, obviously we were deficient in what we knew about what was going on out there, at least deficient in

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this respect: that we did not know adequately that there were people out there prepared to take the action that they did.

That said, we knew we were at risk. We knew it could happen. After all, the embassy had been taken once before, in February of that year, and held for a few hours by the same people who were roaming the streets later on.

The embassy was restored to us, as you may recall, at that time by members of what became the provisional government of the revolution, who were still in power when we were taken a second time. But by that time, they were without power. They didn't adequately perceive it, and I suppose we didn't adequately perceive it either.

Some of this, of course, gets into the realm of 20–20 hindsight, and that's a degree of vision that one wishes one had at the time.

We didn't, as I indicate, know that there was that group out there planning this very act, and we know now that there was. If we had had that kind of intelligence, obviously, we would have taken some steps that we failed to take.

Mr. GILMAN. In your opinion, have we now taken those proper steps to make certain that this kind of lack of information no longer creates a vacuum in how we plan and proceed to protect our people?

Mr. LAINGEN. I'm sorry?

Mr. GILMAN. Have we undertaken now appropriate steps to beef up our intelligence?

Mr. LAINGEN. Intelligence will never be totally adequate. I think we are taking those steps. I have reasonable confidence and assurance myself that we are at least moving in the direction of getting the maximum degree of protection.

We have had some learning experiences, of course, and one hopes that we learn from it. That's what terrorism is, a continuing learning experience in which there is no 100 percent protection.

Mr. GILMAN. Unfortunately, it happens on both sides. They, too, are learning how to be more sophisticated in their methods.

Mr. LAINGEN. Indeed.

Mr. GILMAN. Would you care to comment, Alan, on any of these questions?

Mr. GOLACINSKI. I would only echo what Bruce just said and take it one step further. I don't think it's a matter of acceptance of what is going on. Rather, I think it is an acknowledgement of what is going on, and I see that happening. We are beefing up security. More resources are being dedicated to security. Initiatives are being taken, again, in the intelligence area. And I would leave it at that.

Mr. GILMAN. Thank you. I thank both panelists.

Thank you, Madam Chairperson.

Mrs. SCHROEDER. Thank you.

I want to get back to the compensation issue and make sure I understand what you are both saying.

I realize your situation was a little different, because America was so relieved when you came home, and so the kind of reception was a little bit different than a lot of other hostages have received.

You commented on your ambivalence about the $12.50 a day. I was trying to understand exactly what you meant by that. Did you

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mean it was insulting, or did you mean it was condescending, or did you mean it was not needed, or did you mean because in your situation there was such a heartwarming welcome that that was more than money?

Is there any way to help this committee as we look at that dollar figure, as to what we should be doing?

Mr. LAINGEN. Madam Chairperson, I didn't mean to suggest that, by that outpouring of national concern and affection, that should eliminate the need, desirability, purpose of that kind of compensation. I simply wanted to put on the record that we have had that remarkable experience.

I think it's important, myself, that there be that kind of compensation, as a matter of precedent, simply in response to precedent, if you will, but, more importantly, as a point of principle, that employees of this Government should be recognized or compensated for that kind of service.

I have no strong views, myself, about the amount. I think that a Presidential Commission, after a great deal of study, having determined on $12.50 a day as an appropriate amount—I have no problems with that. I think it's the principle involved that matters, above all, to me.

Mrs. SCHROEDER. Did you have anything you wanted to add?

Mr. GOLACINSKI. I, too, believe it's the principle that's involved but not the same principle apparently. I do not believe that a token payment should be rendered to the people that underwent this situation, and I still believe that there is a point to be made, there is a principle here, and I do believe at some point that Iran should be made to pay for what happened to us.

Mrs. SCHROEDER. Then you would be part of the group who feels the Algiers agreement that was signed the night before the release should have challenged.

There were many people who felt that that agreement, saying that you or your families could not sue the country of Iran for damages, could be set aside in foreign courts because it was clearly signed under duress, and that's one of the main principles of law. Is that what you are saying?

Mr. GOLACINSKI. Yes. There are, I believe, two schools of thought exist on that, and I am not an attorney, but obviously I have taken an interest into this and looked into it.

My understanding is that, under contract law, an agreement made under duress is void as to those who wish to void it as a result of said duress.

Now, if it were signed under duress, then it can be voided. My understanding was, it was not voided for the common good of the American people: "We will stand by our agreements." Well, then, I think you invoke the principle of eminent domain.

Mrs. SCHROEDER. I think the next part that I heard—and I tend to agree with you—is, if we had unleashed our legal profession on the Government of Iran, assessing damages for the illegal confinement during state-supported terrorism, which it clearly was, and then spending their time going all over the globe looking for Iranian assets to attach, do you think that would really have dampened the enthusiasm for state-supported terrorism in the future, and

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that that would certainly be better than any kind of compensation we could pay? Is that what you are saying?

Mr. GOLACINSKI. I would hesitate to sit here and say that it would specifically dampen that sort of thing, but I would submit to you that there is a process taking place right now, an arbitration taking place, with a considerable amount of funds for multinational companies in terms of deciding what should be returned and what should not be returned. I'm sure you are quite familiar with that.

Mrs. SCHROEDER. There is some cynicism that they allowed the corporations to sue and not the hostages, but be that as it will, that's what happened.

It's not so much—if I understand your position—that you are opposed to compensation, it's that you feel that Iran should have paid the compensation. Is that correct?

Mr. GOLACINSKI. Ultimately.

Mrs. SCHROEDER. But that there were clearly damages and that they should have been assessed. It's not like there were no damages.

Mr. GOLACINSKI. Yes, Ma'am.

Mrs. SCHROEDER. Let me ask about the medical benefits and the educational benefits in this bill. Do you think at the time someone becomes a hostage, should whether or not the family get the medical benefits or educational benefits be discretionary? Is that a different kind of thing than the compensation?

Mr. GOLACINSKI. I think it's a different kind of thing than compensation, but I agree with what Ambassadors Boyatt and Asencio said, that it should not be discretionary.

This goes back to the point that I made in my statement that I wanted to underscore before. I am sure you are aware, there is a great deal of pressure today. We have dedicated professionals who are willing to accept these assignments to Beirut, to El Salvador, to other hot spots. But that is also balanced against the needs of their families.

What Ambassador Boyatt stressed—the idea that your family is being taken care of is extremely important. I was single, but my paramount concern was for my family. Now, these benefits did not enter into the case with my family, but they certainly did for others who had spouses and children, and I can assure you that you will rest a lot easier in that situation if you know that your family is being taken care of.

I think people that are willing to take these risks, to do this needed job, should be entitled to that peace of mind.

Mrs. SCHROEDER. Mr. Laingen.

Mr. LAINGEN. I agree strongly with that. I think that portion of the bill should be mandatory.

Mrs. SCHROEDER. So that portion, you would agree, should be mandatory?

Mr. LAINGEN. I have no question at all about that.

Mrs. SCHROEDER. And do you feel that there is any need—again, you can speak to this, because you were in charge of the hostages—do you feel that having the discretion later on to determine whether or not they get compensation for the detainment would give you some control over what kind of hostages they would be?

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Mr. LAINGEN. No; I have much more confidence in my staff and personnel than that. I don't think that their conduct is going to be affected one whit by that.

Mrs. SCHROEDER. When I heard that from the administation, I really felt that it was almost putting down the State Department.

Mr. LAINGEN. I think that's highly offensive to all of us.

Mrs. SCHROEDER. I agree.

So your reason for supporting discretionary compensation for the detainment is different than that?

Mr. LAINGEN. I'm talking about discretionary here in terms of the amount. I assume that there would be compensation—an amount. It's not whether, just the amount.

Mrs. SCHROEDER. So that is what you would have the discretion be.

Would you give every hostage the same amount based on length of captivity, or would you give some more than others?

Mr. LAINGEN. Absolutely the same. There should be no distinction.

Mrs. SCHROEDER. You would give absolutely the same, no matter what the rank?

Mr. LAINGEN. On any count.

Mrs. SCHROEDER. Almost what Mr. Boyatt was saying, which was, he would pick a number and assign it across the board.

Mr. LAINGEN. Yes.

Mrs. SCHROEDER. Very good.

Mr. LAINGEN. I haven't talked to Tom, but it's an interesting formula that he has advanced. I suppose there is a little bit of a problem in the fact that per diem varies from one point to another, but that doesn't seem insurmountable if you choose that formula.

Mrs. SCHROEDER. Well, unfortunately, per diem goes with room service and everything else. Per diem goes with freedom. It seems a little outrageous—I think he pointed out you could get $55 per day at Tehran at the time you were confined under per diem, and you got $12.50.

Mr. LAINGEN. There is an interesting point that has been raised, Madam Chairperson, with respect to the civilian victims of terrorism today in Beirut. I don't have any answer to that either, except to say this: Obviously, our government—a government—has an obligation, has the responsibility in the first instance, to protect, do its damndest, to get those people back alive and well, and that assuredly is under way. That is the minimum obligation of government.

Beyond that, in terms of compensation for that category of terrorist victim, that is a very interesting point. It has arisen already, if you will, in our experience in Tehran, because two of our colleagues, Bill Keogh and Jerry Plotkin, were non-Federal Government employees; they certainly were not employed by government. They went through the same experience we did. I think Mr. Keogh has already testified, and I don't know what he said here on that score, but assuredly, in our experience, it raised the very serious question, to what extent should government also be obligated to those two, and, in this case, a larger number, for some kind of material compensation?

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Mrs. SCHROEDER. Again, as you point out, that is the first premise of any government, to protect its own citizens. Clearly, you protect those who are working for the government, but then innocent citizens who get caught up in it, too.

Mr. LAINGEN. Just as much.

Mrs. SCHROEDER. It's very difficult. It is clear that they made a much better target because they had American passports.

Tell me about the medical benefits provided in the Hostage Relief Act of 1980. Do they appear to be sufficient, especially for the long-term psychological effects that we hope no one ever has to claim for? Have you looked at that aspect at all?

Mr. LAINGEN. I haven't personally looked at it very carefully. I had the impression from that experience then and what I know today that these provisions are sufficient, but others of my colleagues may disagree with that.

Mrs. SCHROEDER. Alan, have you looked?

Mr. GOLACINSKI. I think, again, this is why it is important that there be permanent legislation. It is well established that people who suffer from a traumatic incident, be it a crash landing or a hostage situation, barricade situation, can and do have what is known as a post-trauma syndrome, and this post-trauma syndrome can—again, I'm not a doctor—rear its ugly head at any point in the future.

Now, if the act only goes so far, well, people have come home from Iran, they have been home for 4 years, they appear to be doing well, and then one day that individual is walking down the street, and something clicks, whom does that individual turn to?

Mrs. SCHROEDER. I think that is very important, and it should extend through retirement as well, because no one knows when it is apt to hit each individual. We hope never.

I want to thank both of you for your comments, too, about including the military. I think you are exactly right. Everybody works for the same flag. This committee has been very angry about the fact that we treat families differently if they are in different services, and benefits differently, and everything else. That makes absolutely no sense, and we are working as hard as we can to try and make them more uniform. We will offer the military provisions on the floor this week.

Thank you both very, very much for being here and for going through what I'm sure, once again, was not pleasant to go through. We appreciate your expertise as we deal with this.

Mr. LAINGEN. Thank you.

Mr. GOLACINSKI. Thank you.

Mrs. SCHROEDER. The last witness we have today will be looking at the effects of terrorism on the families, and that is Susan Low from the Association of American Foreign Service Women.

Susan, you have been very patient waiting, and certainly I think you heard from every witness. They all recognize how terribly important the role of support is at home.

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STATEMENT OF HELEN C. LOW, ASSOCIATION OF AMERICAN FOREIGN SERVICE WOMEN

Ms. Low. Yes, we are all one family, and it's logical that everyone would refer to that.

I am Helen Low, representing the Association of American Foreign Service Women, a nonprofit voluntary organization which is concerned with the family aspects of foreign service life.

Over the past 8 years, AAFSW has participated actively in the developing discussion of the issues under consideration today.

Our study of case histories over a decade of family involvement in terrorist events led to a report on Foreign Service Families in Situations of International Crisis—the document submitted with our testimony—that was submitted to the Secretary of State in July 1983, and to which he responded.

A task force was set up within the State Department to consider the recommendations. They proposed useful steps to deal with the problems it highlighted, but on a number of key points this task force indicated that legislative action would be necessary to address the issues fully.

In that context, we welcome this opportunity to present our views to you today.

From our perspective, the legislation under consideration is urgently needed and should be strengthened in several respects. We would like to focus attention primarily on family-related aspects of the issues being addressed. In so doing, we ask that you keep in mind that family members of foreign affairs employees and of other personnel assigned to U.S. diplomatic missions abroad are unavoidably caught in the crossfires of terrorist activity that affect official Americans abroad. We are concerned for all of them, civilian and military.

To address specific points raised by the draft legislation:

First, we prefer the mandatory terms of H.R. 2019 to the enabling terms of H.R. 1956. Experience has shown that enabling language, as other witnesses have pointed out today, is not always adequate to accomplish the legislative intent. The examples that we would turn to from the Foreign Service Act of 1980. In the case of language training which was to be authorized spouses—at present, not all the foreign affairs agencies are providing that as it was intended. And we could give other examples.

Second, in our view, the definition of "captive" for the purpose of this legislation should include any family member placed in captive status. In addition to the medical care and any captivity payment provided, civil lawsuits and judgments against such individuals should be suspended until their release. The legislation should also provide for suspension of deadlines for filing income tax returns for all hostages, whether employees or family members.

Third, AAFSW welcomes the provisions for payment of compensation for disability or death of a family member occasioned by terrorist events. Where Workmen's Compensation is not applicable, an equitable basis for compensation should be established, and the U.S. Government, not the individual, should bear the cost.

Fourth, a major area of concern to us is medical and health care, especially mental health care, as the other witnesses before you

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this afternoon stressed. This relates both to handling the long-term aftermaths of terrorist events and to preventive measures that should be instituted in our diplomatic posts abroad. It is becoming increasingly clear that trauma resulting from terrorist action may produce long-term effects in the victims and in family members.

We are submitting also for the record the statement of Nancy Asencio, the wife of Diego Asencio, who testified earlier today, stressing the fact that Diego mentioned, that in some situations the families of victims suffer more psychologically than does the victim himself, because the hostage knows where he is and what is happening to him, and the loved one back home lives with uncertainty until they are reunited, and that even later the after-effects can be more acute in a family member even than in the victim himself. In her view, therapy after release was advisable in most cases for both the victim and his family.

Dr. Robert Hillman, who has studied hostage experiences in non-Iranian situations, noted that the intensity of the hostage experience, and not its duration, is what determines the later development of a traumatic neurosis.

The aftermath of the Iranian hostage taking shows that disequilibrating effects are still surfacing for a number of victims, both employees and family members. In the case of children, complications are occurring at subsequent vulnerable stages of their psychosocial development.

We feel that provisions should be made in this legislation for counseling families from the outset of a hostage situation. Care should be provided as long as it is needed, and recurrence of problems should be treated without the need for the person to reestablish their eligibility.

Support and funding should be given for studies of the ongoing effect of the Iranian and other terrorist situations to help us deal better with these situations in the future.

Costs of mental health care should be covered for family members of an individual killed under noncaptive terrorist circumstances as well as for the captive situations.

If the family is not at post with the victim, the only coverage they have at present is their private health insurance. Coverage of mental health benefits under such Government insurance programs have been decreased in recent years and proved woefully inadequate under such circumstances as these. We need more rather than less mental health coverage for our foreign service personnel and their families.

Five, we would further urge strongly that funds be provided for more adequate preventive mental health care in our posts abroad. Learning to live with continuing stress seems to us as important an aspect of enhanced security as is the fortification of buildings.

No region of the world is immune. Currently the State Department employs two psychiatrists in Washington, whose time is largely spent on such matters as medical clearances, and six abroad. One of these covers 65 posts. Two others each cover 49 posts. Six more psychiatrists were requested in the fiscal year 1986 budget but were disallowed; the funds simply were not there.

These people and other family-trained mental health specialists, such as clinical social workers, psychologists, and psychiatric

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nurses are badly needed. They should work together as a team both at post and in Washington, not just in maintaining contact with individual problems that surface but in developing more adequate post-related material, giving guidance to posts on preventive measures, assisting in training and education. To do without them is extremely short-sighted and is false economy where emergency evacuations are the result. AAFSW urges that additional funds be made available and earmarked for this purpose.

More funding is needed for the mental health grant programs that have remained virtually static over the past several years. Forty-four grants have been awarded for the current year, totalling only a quarter of a million dollars, which is an average of about $5,000. Such programs are an effective way of mobilizing community resources, increasing awareness, providing education and training in mental health matters. They are cost-effective and prevent more serious problems.

It must be remembered that these are really the only such support services available to persons in U.S. missions, who can hardly ever turn to mental health professionals in the host country to help them.

Increased stress is manifested in various ways—alcoholism and drug abuse, spouse and child abuse, and morale problems that affect the ability of the post to do its job well.

Six, with respect to provisions in the two pieces of legislation for educational funds for family members, AAFSW proposes that if a hostage were killed or permanently disabled, meaning that the spouse would then become the sole family wage-earner, education should be provided for that spouse on the same terms it would have been provided to a hostage—that is, up to 45 months. And, similarly, if a divorce were to result from the hostage period, as has happened, the divorced spouse should be entitled to education to equip her for the role of family wage-earner.

Seven, this legislation does not touch on the financial loss of household effects that may be entailed by acts of terrorism. Private insurance frequently excludes such circumstances from coverage. The $40,000 coverage of the U.S. Claims Act is seriously inadequate to cover present values of household effects of Foreign Service families. We feel that this aspect of terrorist activity should be included in the legislation.

Eight, we urge that action be taken without further delay to compensate the Iranian hostages. What is often overlooked is the large, extraordinary expenses that families were out of pocket during that period—travel, phone bills, other medical expenses—that they have had to pay for themselves.

In conclusion, AAFSW would like to point out that the United States is represented abroad by a Foreign Service that reflects the value we Americans place on the family unit. If that is to continue, we must take steps to safeguard the wellbeing of family members who are serving abroad with fortitude in these stressful times.

Thank you.

Mrs. SCHROEDER. Thank you very much, Mrs. Low. I can certainly tell, as always, you have done your homework and done a wonderful job in looking at the bill.

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I think your point about mental health benefits and helping people live with stress is critical. As we heard from prior witnesses, the stress of living under the constant threat that you could become a hostage needs to be addressed.

Your discussion of household items is also very interesting. I think everything you have pointed out makes a lot of sense.

Could you give us some idea about whether or not the medical benefits provided in the Hostage Relief Act of 1980 were sufficient? Have you done any research on that?

Ms. LOW. Our group has done research on this, and there is a feeling of concern, particularly for the continuing long-run effects and whether they will be adequately covered.

Mrs. SCHROEDER. In other words, it's not clear right at the moment whether or not, if psychological stress recurs later on, that will be covered. Is that correct?

Ms. LOW. Right. We would like to be sure that it is covered, because there is evidence that there are continuing effects for both the victim and family members, too. We would be glad to give further data on your question, to submit to you.

Mrs. SCHROEDER. That could be very helpful to the committee, because we are particularly concerned about what happens at retirement, what happens at different levels. As you very adequately pointed out, the mental health care is a shrinking part of health insurance coverage. I think it is very important to make sure that mental health care is in the package.

But at this point it is not clear—is that correct?—whether the 1980 Hostage Relief Act would really cover that.

Ms. LOW. The language is such that it leaves an uncertainty, I think, and as to how adequate, my impression is that for some families the coverage was not adequate for their needs. Some of them ran into procedural problems.

Ms. SCHROEDER. Very good. Anything you have on that would be helpful.

The other question I had was about the $12.50 a day for compensation. I know you mentioned that the families had many extraordinary expenses during that period of time. Do you think the families feel that $12.50 a day is an adequate compensation, or is there any way to ascertain how the families feel about that?

Ms. LOW. I have not talked with many of them, myself, on that particular matter, but I imagine the feeling reflected here earlier this afternoon is pretty representative of the group.

Mrs. SCHROEDER. And the idea that, even as low as it was, it hasn't been paid.

Ms. LOW. Right.

Mrs. SCHROEDER. Your point about educational benefits transferring to the spouse—the educational benefits that the hostage would have transferring to the spouse—if the hostage is killed is very interesting. Are there other benefits like that?

Ms. LOW. I think that is the main one that is different. There are educational funds provided for family members, as you know, but they terminate, at the most, 16 weeks after the hostage is released.

Mrs. SCHROEDER. The other is 49 months, isn't it?

Ms. LOW. Forty-five months.

Mrs. SCHROEDER. Forty-five months.

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Ms. Low. If a person were needing to equip herself to be the family wage-earner, unless it were a very long hostage period, she would not be equipped to do that.

Mrs. SCHROEDER. That is correct.

Well, I thank you very much for the comprehensive job you did. We will put the statements that you have from Mrs. Asencio in the record.

Thank you very much.

With that, this second hearing on this bill is now adjourned, and we thank you all for your patience and attendance.

[Whereupon, at 3:20 p.m., the subcommittees were adjourned.]

[The following response to questions, AAFSW material, letter, and report were received for the record.]

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[The following response to questions was received from the Association of American Foreign Service Women.]

Answers to questions asked during the hearing:

Q. Were the medical benefits provided in the Hostage Relief Act of 1980 sufficient?

A. Because of considerations of privacy, it is difficult to provide a clearcut answer to the question of the adequacy of medical benefits provided by the Hostage Relief Actg of 1980. %AFSW understands that more than one family did incur significant personal outlays in that area. What the question highlights is the need for a systematic study of the medical and mental health aftermath of the Iranian and other similar episodes to determine the long-term nature of the effects. The anecdotal information available indicates that provision of more adequate coverage of long-range effects is needed.

In a doctoral study of the Iranian hostage wives, all 14 of the 26 who chose to participate felt that they had coped well. They viewed the crisis as a social rather than a psychiatric experience. Recommendations that emerge from the study point to a number of ways in which the support given could have been strengthened. (L.F.Dane, The Iranian Hostage Wives: Long-Term Crisis Coping, 1984. Summary. attachment A.) Preplanning is central so that these supports are ready for use at the start of an episode. This requires funds, implementing regulations and trained personnel. The Inman Report, while further underscoring the need for more adequate contingency planning, stresses the medical rather than the "social" preparation. (Report of the Secretary of State's Advisory Panel on Overseas Security, Adm. Bobby R. Inman USN (Ret.), June 1985.)

Q.Extraordinary expenses incurred by families during the Iranian hostage crisis.

A. Attachment B.

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[ATTACHMENT A]

A doctoral study of fourteen of the 26 Iranian hostage wives (Doila Finlay Dane, The Iranian Hostage Wives: Long-Term Crisis Coping, Florida Institute of Technology, University Microfilms International, 1985) posed questions designed to explore crisis-coping patterns and the types of social support that promoted effective coping. The study contains useful implications for ongoing efforts by the Department of State to provide appropriate support to the families of hostages as follows:

- o The participants in the study viewed hostage-taking as producing a social (rather than a psychiatric) crisis in the family. This crisis produces stress that can be alleviated by specific types of social support that enhance the coping ability of the hostage wife and family.

- o Social support provided by institutitions needs to address specific sources of stress, where possible, and should avoid implying that normal reactions to severe stress - which commonly include anxiety, depression, anger, sleep disturbance and intense emotion - are pathological. Institutional medical approaches that viewed hostage families as "victims of emotional disturbance" were criticized by participants in the study on the grounds that this increased rather than alleviated stress.

Recommendations included:

Liaison Assistance: Liaison personnel to be trained in crisis intervention and assigned to each family to help when requested by the family with:
Access to information
Financial guidance and facilitation of relevant allowances
Information about and assistance in managing the media
Individual issues producing stress for that family
Assignment of an individual liaison person to each family

Medical Assistance: Medical assistance to be available when and as needed for the duration of the hostage episode and for a "reasonable period beyond".
Availability of both liaison and medical assistance via WATS line
Confidentiality of medical treatment scrupulously maintained

Self-Help Assistance: It was noted in the study that individual and group self-help efforts provided extremely significant and meaningful social support to hostage families. A recommendation was made that self-formed support groups be given institutional support including:
WATS communication or phone bill and other technical assistance
Transportation to and from site of group meeting if requested
Provision to group, if requested, of -
- o Professional mental health facilitators on ongoing basis for parent and/or child group (regional, if necessary)
- o Expert assistance in media relations and in financial planning

ASSESSMENT: The study highlights the need for these supports to be available at the beginning of a crisis. Funds should be allocated, regulations put in place and personnel trained so that appropriate action can be taken without delay rather than being piecemeal and reactive. Now is the time to prepare for future contingencies.

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[ATTACHMENT B]

This legislation does not take into consideration the extraordinary expenses incurred by family members of hostages. Because information of a substantive nature concerning a crisis is essential to the family members' mental health, they will go into debt just to gather information. They will want to consult with Government officials on a continual basis, either by telephone or in meetings at the State Department. This need for information is one reason some family members in the Iran hostage crisis stayed close to the Task Force Center, setting up their own niches at the State Department. It is the reason why others established close relationships with media representatives, those who never hesitated to share immediate news with the families. Some families moved to Washington, D.C., in order to keep abreast of the Government's steps to solve the crisis. Those who lived far from Washington felt isolated, even though they may have been called daily, and they, therefore, appreciated being called to Washington for meetings.

The expenses incurred in trying to gather information and in turn keeping extended family members up-to-date on the crisis amounted to considerable outlay of funds when totaled up. It would be an underestimation to say that the average family member in the Iran hostage crisis spent $200 a month on long-distance telephone calls, three to four times what they might have spent during normal periods. Some found it necessary to purchase expensive answering services (average cost $150 to $250) to cut down on the amount of stress incessant incoming telephone calls placed upon them.

Also vital to their mental health was their desire to talk with other hostage families across the country, to listen to their problems, to commiserate, and to learn that their fears and anxieties were not unique to them. In times of long-term crises when a number of families are involved, it would lower the level of stress if a Watch Line were established so that family members could contact one another free of charge.

Many families of the Iranian hostages felt dismay at the quota system the Department of State imposed upon them regarding who could have their way paid to family meetings. The quota system was particularly hard on mothers and fathers of hostages who were married, because wives were considered the primary contact and had their ways paid to meetings, while parents did not. However, a wife in the Washington area, had no quota in effect and was not allowed to

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bring her college-age children home to attend meetings, yet an out-of-town parent could send a child to Washington in his or her place. Already strained family relations, often between a wife and a mother-in-law, were exacerbated by this argument over who was entitled to first class treatment and who was not. Some families paid the extra air fares, food and hotel costs so that all immediate family members could attend important meetings. Although some limit must be placed on transportation costs, it would seem more equitable if immediate family members, including wives, children and parents, were included in the family's quota for attendance at meetings. The family unit is a vital support system in times of crisis and ought not be divided in this manner.

Some had to rent cars or had unusually high gasoline and parking costs to cover. It was not unusual for family members to overstay at a meeting and find parking tickets ($10 to $40) on their cars in front of the State Department. When people are under extreme stress, the smallest difficulty can cause deeper aggravation.

Furthermore, equitable means must be found to cover personal losses of hostages. In many cases, personal insurance policies did not adequately cover losses or excluded reimbursement of losses due to acts of terrorism. Some hostages who claimed certain amounts were not fully reimbursed.

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REPORT ON

FOREIGN SERVICE FAMILIES IN SITUATIONS OF INTERNATIONAL CRISIS

The Forum of the Association of

American Foreign Service Women

July 1983

TO THOSE FAMILIES
IN THE FOREIGN SERVICE
WHOSE EXPERIENCE
LED TO THIS REPORT

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SUMMARY OF AAFSW FORUM REPORT ON FOREIGN SERVICE FAMILIES IN SITUATIONS OF INTERNATIONAL CRISIS

In response to concern over evacuation procedures raised in the 1977 Forum Report of the Association of American Foreign Service Women, the Secretary of State requested the case histories on which the concerns were based in order for the Department to address the needed changes. With the widening scope of international violence, attention has expanded to include bombings, in which family members as well as Foreign Service employees are involved, and hostage-taking, in which families have been separated for long periods with consequent need to fend for themselves. After sifting through a sheaf of case histories and consulting with Department officials who are concerned with various aspects of family involvement, the Forum drew up a set of nineteen recommendations. They were forwarded to the Secretary in July 1983. In summary, the recommendations reflect three major areas which the AAFSW Forum has requested the Department to address.

I. While much has been done to alleviate the problems faced by families in crisis situations, these problems are still largely handled on an ad hoc basis. We propose the following changes in Departmental procedures in this area:

- Establish within the Department a coordinated framework for handling family-related aspects of crisis situations. (Recommendation 1)
- Establish procedures for dealing with the emergency needs of families, including an override mechanism where regulations designed for normal circumstances prove inadequate. (Recommendation 2)
- Formalize the role of FLO in the context of crisis situations. (Recommendation 4)
- Include the family dimension adequately in the Emergency Action Plan at post. (Recommendation 8)
- Train officials at all levels to increase their responsiveness to family needs. (Recommendation 15)
- Accept Departmental responsibility for expenses incurred by families that are directly attributable to the crisis. This would include such matters as extension of the Subsistence Expense Allowance for the total period of dislocation and revision of levels of reimbursement under the US Claims Act. (Recommendation 10)
- Seek permanent legislation to replace the expired Hostage Relief Act, broadened to include such non-hostage situations as assassinations and bombings and providing direct coverage for family members, e.g. for disability. (Recommendation 19)

II. Families could function more effectively and cooperate more adequately with Department efforts if the Department were to:

- Communicate directly with them, notifying them of procedures and explaining the underlying rationale. (Recommendation 5)

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- Keep informational materials updated. (Recommendation 7) A brochure explaining the structure, functions and services of MED would be a useful addition. (Recommendation 13)

- Authorize family members to receive services directly when the employee spouse is absent. (Recommendation 5)

- Provide each family regardless of rank with prompt and continuing contact with a substantive officer when the employee spouse is absent. (Recommendation 3)

- Provide timely briefings at post on security concerns and political developments as they relate to the ability of family members to act intelligently. (Recommendation 9)

- Provide training of family members at the FSI Overseas Briefing Center in preparedness and coping skills. (Recommendation 16) Reinstate per diem for teenagers to attend the Coping with Violence Abroad seminar. (Recommendation 17)

- Provide training for family members in handling the media. (Recommendation 18)

III. Foreign Service families need help in learning to cope with stress in order to maintain and regain balance and resume functioning until normal life can be restored. To further this objective we urge the Department to:

- Increase funding for mental health services at post. (Recommendation 11)

- Extend treatment of crisis-related illness to a family member even if s/he was not present at post (as was provided in Title I Section 103 of the Hostage Relief Act of 1980). (Recommendation 12)

- Eliminate the requirement of hospitalization as a precondition for authorization of psychiatric help. (Recommendation 12)

- Through a joint committee of MED/FLO/OBC, maintain contact with research on the effects of crisis-induced stress on both adults and children as well as development of techniques for living with continuing stress and violence overseas. (Recommendations 6 and 14)

- Seek authorization for increases in the mental health benefits in USG-sponsored health plans, reversing the recent decreases. (Recommendation 10)

The above recommendations are offered in a spirit of shared involvement with the Foreign Service. Foreign Service families take pride in making an active contribution to the effective representation of US interests abroad. We feel that implementation of policies to meet the concerns identified here would reaffirm the value the Department places on Foreign Service families as an integral part of the system. AAFSW is confident that the Department shares our sense of urgency in moving ahead as quickly as possible in overcoming these problems.

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FOREIGN SERVICE FAMILIES IN SITUATIONS OF INTERNATIONAL CRISIS

In its 1977 Forum Report on the Concerns of Foreign Service Spouses and Families, the Association of American Foreign Service Women (AAFSW) opened a dialogue with the Department of State which has borne mutually beneficial results, including the establishment of the Family Liaison Office. One of the questions raised at that time dealt with evacuation procedures. The Secretary of State, in his response to the Report, asked the Forum to pull together the experiences on which their concerns were based and to forward these to the Department for review in order that evacuation procedures and services could be improved.

Since that time, a worldwide increase in terrorist activity has expanded our frame of reference. In the last decade, nearly 3000 personnel and their families have been evacuated from post. In addition, there have been numerous kidnappings, assassinations and persons held hostage. Several American missions have been burned or bombed. Sustained tension has become a fact of Foreign Service life. As a result, families need assurance that the Department of State is adequately prepared to handle crises in which they may be involved.

With the appointment of an Evacuation Officer in 1980, which was superceded by the Support Services Officer in 1981, M/FLO has been provided with a framework in which many of the resulting logistical problems for families in crisis can be handled. But our study concludes that while much has been done, problems are still largely addressed on an ad hoc basis and existing procedures may prove inadequate to deal with a widening range of individual circumstances.

In the Forum perspective, the Department's responsibility for the safety and well-being of Foreign Service families should be reciprocated by the family's responsibility for its own welfare and by its sense of being part of the official community.* It follows

*Annex A contains an AAFSW Forum letter to Foreign Service families on their responsibility to prepare for potential crises. It includes a checklist to assist them.

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that families can cooperate more effectively when they are well-briefed on what to prepare for and are incorporated as an integral part of contingency plans. Whether at post or at safehaven in the United States, whether caught in an immediate terrorist situation or one of continuing tension, Foreign Service families need help in learning to cope with stress in order to regain their balance and resume functioning until normal life is restored.

This report deals with the procedures the AAFSW Forum considers requisite for handling family concerns in crisis situations. It incorporates recommendations intended to assist the Department as it focuses on crisis management problems. The Forum offers the following recommendations in a spirit of shared involvement with the Foreign Service in this turbulent era. It is our belief that a positive attitude of the family toward Foreign Service life is a key element in the retention of the employee.

To address the questions of preparation for handling international crises as they relate to family members, the Forum recommends:

<u>In Washington</u>

1. There should be a formal, coordinated Department framework for the provision of services and information to family members in crisis situations. Under the direction of the Director General, the offices involved should include:

   Management - Management Operations, Family Liaison Office, Office of Medical Services, Office for Combatting Terrorism, Foreign Service Institute;
   Administration - Operations, Allowances, Salaries and Payroll, Travel and Transportation, Security;
   Bureau Executive Offices;
   Public Affairs

2. Procedures for crisis management should be pre-planned and

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Department-wide to ensure:

- that the offices listed above cooperate to provide prompt assistance and information to families.
- that they deal realistically with family members. (See Annex B 1 which lists unwarranted assumptions.)
- that an override mechanism be triggered when the Secretary of State determines that a crisis exists. Normal operating regulations could be set aside and certain eligibility requirements waived, such as those for education allowances or shipment of household effects before the normal interval. Such an override mechanism may require legislative authority.

3. When a crisis occurs, it is important that families be notified immediately. It is essential:
   - that, for the sake of continuity, each family be assigned an authoritative officer to provide substantive, political briefings throughout the crisis. Such contact establishes a human "lifeline" to the family and helps develop rapport.
   - that in cases where the Task Force officers are overburdened or the number of families is too large, extra personnel with knowledge of the geographic area (from other bureaus or retired FSOs) be recruited for the Task Force specifically to provide this contact throughout the crisis.
   - that regardless of the rank of the employee, each family be assigned such an authoritative contact.
   - that the first contact with the family be made by the Department, if at all possible before the media has broken the news to them.
   - that family members be given certain telephone contact numbers, such as M/FLO for logistical assistance and the Public Affairs bureau for media guidance, in addition to the political guidance referred to above.

4. The Forum supports the role of M/FLO as a primary link between

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the Department and family members when the employee is not present. In this capacity, M/FLO would work to assure effective resolution of distinctive family problems such as allowances, travel and transportation, and medical coverage. M/FLO authorization to communicate directly with families in such circumstances, to organize briefings, and to facilitate the provision of services should be incorporated in Department regulations (FAMs) and made known to members of the Service by Department Notice and Circular Cable. The Department should authorize trained volunteers from AAFSW to assist M/FLO as appropriate. (See Annex B 2 where the functions of M/FLO in the handling of crises are detailed.)

5. The Department should address the problems created by institutional barriers to direct communication with family members. The Department currently interprets the Privacy Act to prohibit dissemination of information to spouses unless they have specifically requested it. Under the existing system, family members receive information only through the employee. When families are separated during a crisis, they have no way of learning about changes in regulations and procedures that may affect them.

   Without an employee's signature family members have no access to stored household goods and are barred from receiving information on pay, allotments, and insurance. They may not register for most training courses at the Foreign Service Institute (FSI), including the Coping With Violence Abroad Seminar.

   The Forum recommends that consideration be given to methods for overcoming these barriers to direct communication with families such as the following:

   - before each overseas assignment, the employee be alerted to those areas where an employee signature is required to permit the Department to provide services to his/her family.

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- an item be added to the Personnel check-out list authorizing family members to receive services directly during the employee's absence.
- publications dealing with issues affecting family members, such as the FLO Update, be distributed directly to spouses as is done by the military services.
- M/FLO be given access to next-of-kin cards in the Foreign Service Lounge to enable it to communicate with family members when the employee is separated from them.

6. The Family Liaison Office, the Overseas Briefing Center at FSI and the Office of Medical Services are the three offices having the greatest contact with family members. M/FLO serves as a link between the Department and individual families. The Briefing Center is the primary provider of post-specific information and training to family members; it also serves as a resource on family perspectives for employee training courses at FSI. The Office of Medical Services is chiefly responsible for physical and mental health services to the Foreign Service community. What each office learns about effects of crisis on families should be shared so that over time each can more effectively deal with individuals in such situations. They should work together to provide briefings on techniques for living with continuing stress and violence overseas. They should select written materials for inclusion in the FLO Update and in the post files maintained at the Briefing Center. To accomplish these purposes, they should maintain a Joint Committee on Families in International Crisis. AAFSW should be represented on this committee.

7. The following Department materials are valuable pre-planning resources and should be kept up to date:
   - Evacuation Plan: Don't Leave Home Without It!
   - What Do I Do Now? A Sourcebook on Regulations, Allowances and Finances.

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- Foreign Service Assignment Notebook.
- Washington Assignment Notebook.

At Post

8. Those portions of the Emergency Action Plan (EAP) which pertain to families should be carefully formulated and tested at post to cover all aspects of family involvement. (See Annex C 1 Contingency Planning at Post.) To ensure strong liaison between the crisis managers and family members, the Community Liaison Officer (CLO) should participate with the Ambassador, DCM, Administrative and Security Officers in formulating and carrying out this plan. Through this liaison with post officials and participation in the formulation of crisis procedures, CLO will be in a better position to assist in the coordination of actions during crisis. Where there is no CLO, an officer should be charged with the same responsibilities. (See Annex C 2 The Role of the Community Liaison Officer in Post Contingency Planning.) The Interdepartmental Group on Terrorism should monitor the effectiveness of contingency planning as it impacts on family members. Inspectors should evaluate this aspect of post operations, meeting with family members to make their assessment.

9. Family members who know what is going on in a country are less susceptible to rumor and more likely to act responsibly in a crisis. Therefore, they should be briefed from the time of their arrival at post both on specific security considerations and on the overall political situation in the country. These briefings should be up-dated at least quarterly so the information on which family members base their judgments and actions is kept current. The time has long passed when families can be "protected" from awareness of the dangers inherent in contemporary diplomatic life.

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Financial Aspects

10. The planning process should take full account of the special financial burdens faced by families during crises. The Department should accept responsibility for those expenses incurred by families that are directly attributable to the crisis. Because many families do not have the financial resources to cover even temporary outlays of this magnitude, allowances should be made available as promptly as possible. The override mechanism outlined in Recommendation Two might be utilized to facilitate payment in a manner analogous to present advance-of-pay arrangements. Based on the experiences of evacuated familes and others caught in crisis, areas in which financial hardship has occurred are detailed in Annex D. The resolution of these problems may require legislation.

Medical and Mental Health Considerations

11. M/MED should actively seek sufficient funding to handle adequately crisis-related problems, including expanded funds for mental health services. (See Annex E for additional recommendations on the services provided by M/MED.)

12. Because of the special circumstances of health problems related to international crisis, M/MED should revise its eligibility requirements to fit the spirit of the enabling legislation (Section 904 of the Foreign Service Act of 1980.) This should include:
    - provision for treatment of crisis-related illness of a family member, even if the person were not present at post with the employee, as was provided in Title I Section 103 of the Hostage Relief Act of 1980.
    - provision that, where treatment is covered, a family member not be required to reestablish eligibility should the illness recur within a reasonable interval.

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- generalization of the appeal procedure detailed in Section 191.23 of the implementing regulations of the Hostage Relief Act of 1980 to cover all questions of crisis-related illness.
- elimination of the requirement for hospitalization as a pre-condition for authorizing psychiatric help.

13. Despite the efforts of M/MED to publicize its services, there is continuing misunderstanding of the function of the Office of Medical Services and the circumstances under which it provides health care and covers medical costs of family members. To meet this problem, the Forum recommends an official brochure explaining such matters as:
    - the function and structure of the Office of Medical Services within the Department and overseas. It should include the services provided and the terms on which they are made available. Programs such as Alcohol and Drug Abuse and the Employee Consultation Service should be covered. An explanation of the policy on patient confidentiality should be included.
    - a patient's right to choose his/her health care provider, subject only to approval by M/MED of the provider's qualifications. It is especially important in a psychiatric case for a patient to be allowed to choose a practitioner not associated with the State Department.
    - eligibility requirements for medical treatment, procedures for determining eligibility and the appeal mechanism.

    This brochure should be distributed with medical clearance forms directly to family members.

14. A thorough study should be undertaken to better understand delays in the appearance of crisis-induced illness. The experience of prisoner-of-war wives indicates there may be an interval of several years before stress-related symptoms appear. Children may undergo crisis-induced stress during

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subsequent phases of their psychological development.

Training Programs

15. Appropriate Foreign Service Institute professional training programs should include specific segments designed to make the trainee aware of and responsive to family needs.
   - Such training should promote a helpful attitude in dealing with family members, especially when the employee is not present and the family is unlikely to be familiar with Department procedures and vocabulary. The attitudes of Ambassadors and DCMs toward family members and their concerns are especially important in this matter. Their training should emphasize the need for effective coverage of family aspects of contingency planning and must ensure that family members are provided regular, substantive briefings.
   - The Overseas Briefing Center should provide requisite materials and support for these facets of FSI programs.

16. The Overseas Briefing Center, as the specialist in training of family members, should be provided with the positions and financial resources to expand its activities related to crisis situations to include:
   - More extensive curriculum providing training on family preparedness and coping skills.
   - Training of AAFSW volunteers to assist M/FLO as needed during crisis.
   - Greater provision in the post files of information related to crisis.
   - Support for the FSI programs outlined in Recommendation Fifteen.

17. Adult and teenage family members should be strongly encouraged to attend the Coping With Violence Abroad Seminar. Travel and

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per diem should be reinstated for those not living in the Washington area.

18. A segment on guidelines for dealing with the media should be included in such FSI programs as Coping With Violence Abroad, the sessions for spouses in the orientation course for junior officers, and the Ambassadorial Wives Seminar. This would cover: the way the media function; interview terminology and techniques for answering questions; and the potential for exploitation. This is necessary preparation to help family members decide whether they wish to be available to the media during a crisis and, if so, on what terms. In a situation of sustained media interest, a session on the above points might be offered at FSI.

Legislation

19. Reformulation of the Hostage Relief Act of 1980 as permanent legislation should include:
   - In addition to captive status, provision for death or disability benefits in situations of international crisis under non-hostage circumstances, e.g. through assassination or bombing.
   - Inclusion of family members in the list of those directly covered by the Act.
   - Compensation to a family member who has been permanently disabled during a crisis abroad.

* * * * *

The above recommendations are offered in a spirit of shared involvement with the Foreign Service. They reflect the Forum's considered view of the steps the Department should take to improve and consolidate family-related aspects of international crises. We

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recognize that the Department is addressing a number of the issues presented here and that some of the recommendations will require legislation. But we are confident that the Department shares our sense of urgency in moving ahead as quickly as possible.

Foreign Service families take pride in making an active contribution to the effective representation of American interests abroad. Implementation of policies to meet the concerns identified in this Report would reaffirm that the Department of State values Foreign Service families as an integral part of the system.

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ANNEX A 1

A FORUM LETTER TO FAMILIES ON THEIR RESPONSIBILITY TO PREPARE FOR INTERNATIONAL CRISIS*

The time has long passed when families can be "protected" from awareness of the dangers inherent in contemorary diplomatic life. We cannot ignore our responsibility for preparing our families for living anywhere abroad in the present-day world. In the course of studying how family concerns have been handled over the past decade by the Department of State, the AAFSW Forum has become increasingly aware that an effective Department program must be coordinated with ou own individual preparations and our participation in community networks overseas.

Three key elements of a basic framework for preparing to go abroad are available at the Foreign Service Institute. Child care payments are authorized to make attendance feasible.

The first element is gaining as great a facility as possible in the language of the area to which you are assigned. As a minimum, everyone should take the FAST course where one has been developed. It is designed to give a beginner the ability to communicate about everyday practical matters.

Another element is attending the Coping With Violence Abroad Seminar, accompanied by your teenaged children. This one-day session covers the official United States position on negotiation with terrorists, the necessity for pre-thinking and pre-planning within the family, and practical techniques for meeting contingencies. Upon arrival overseas, you should attend the post-specific segment of the program which will soon be available. In order that all family members can attend both portions, we are

*This appeared in substantially the same form in the May-June 1983, AAFSW News.

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recommending to the Department that travel and per diem be reinstated for those not living in the Washington area.

The third element is taking the three-day Workshop on Regulations, Allowances and Finances offered by the Oversees Briefing Center at FSI. This provides a framework to help you understand how to manage your financial affairs, an increasingly essential aspect of self-reliance.

The study of Foreign Service Families in Situations of International Crisis, which the Forum has just completed, emphasizes the importance of a well-functioning community overseas. Individuals may change but the participation of all is required to maintain the community support mechanisms on which everyone's welfare depends.

The reciprocal responsibility of the Department of State and individual families is the key to successful handling and resolution of problems arising from an international crisis. Close cooperation and mutual trust are essential to achieving this goal.

We have appended a Checklist of Family Preparations for Living Abroad which covers steps you should take both in Washington and at post and a list of source materials available from the Family Liaison Office and the Overseas Briefing Center.

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ANNEX A 2

A FORUM CHECKLIST OF FAMILY PREPARATIONS FOR LIVING ABROAD

Before Leaving Washington

1. Discuss within the family how you would deal with short and long-term crises, including financial, medical and legal aspects, relocation of the family, and relations wth extended family members.
2. Organize and make a record of personal affairs: medical, financial, tax, insurance, school.* Be aware of possible exclusions in life and property insurance for international crisis circumstances.
3. Consider how to handle matters which legally require the employee's signature. A general or specific power of attorney may solve the problem.
4. Maintain your private health insurance to cover unanticipated returns to the United States.
5. If you travel on any passport other than an American Official or Diplomatic passport, consider the implications for emergency travel.
6. Attend the Overseas Briefing Center Workshop of Regulations, Allowances and Finances.**
7. Take language training at FSI, at least the FAST course when available, designed to help you cope with typical situations. Home study programs are available.
8. Attend the Coping With Violence Abroad Seminar.
9. Discuss with the Medical Divison health problems at post, as well as emergency medical facilities and post medical evacuation guidelines. Be sure you have written confirmation of your medical clearance.

At Post

1. Locate yorself in the context of emergency services in the community. Learn the local customs and cultural attitudes as they relate to emergencies.
2. Continue studying and using the local language.

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3. Attend security briefings and keep informed on what is happening within the host community.
4. Have family talks about your plans for emergency or evacuation. If tensions mount, discuss the situation with your children in appropriate and supportive terms. Consider the implications for your family if you are designated "essential personnel".
5. If you have children, be informed of school contingency plans and take part in the safety network arrangements.
6. Keep appropriate emergency supplies of food, water and gasoline.
7. Keep copies of important papers consolidated in a safe place. If tensions rise and the situation appears unstable, prepare a suitcase of essential items for family members for appropriate weather conditions.

On Returning to Washington

1. Follow the check-in procedures at the Foreign Service Lounge. Fill out the card and sign the book so that your whereabouts are not considered privileged information.
2. Inform yourself of the services offered by M/FLO and collect up-dated information.***
3. Visit the Overseas Briefing Center at FSI and fill out the Recent Returnee card.

Source Materials

These are available from the Family Liaison Office and the Overseas Briefing Center.

Evacuation Plan: Don't Leave Home Without It!

What Do I Do How? A Sourcebook on Regulations, Allowances and Finances.

Foreign Service Assignment Notebook

Washington Assignment Notebook

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ANNEX B 1

UNWARRANTED ASSUMPTIONS ABOUT FAMILIES

Those who provide services, benefits and allowances to family members involved in crises should be aware of certain assumptions which can be stumbling blocks to effective communication and the provision of services:

1. That the family has lived in the Washington area in the past.
2. That the family is familiar with the Department or has friends there who can offer helpful advice and information.
3. That the family has an extended family on whom it can rely for emotional and financial support. On the contrary, there may be none -- or they may become part of the problem.
4. That the family knows the acronyms concerning allowances and services and the procedures to qualify for these benefits.
5. That the family members are American citizens and speak English well enough to understand explanations readily.
6. That the families involved in a crisis know each other.
7. That the family member understands the implications of the employee's decision to serve abroad and accepts the US Government's "no ransom" policy.
8. That the family member knows how to deal with the media.
9. That the family member is content to remain a private person, not involved in the playing out of a crisis situation.
10. That a leader will emerge from within the group of family members who will organize them to deal with the crisis, a role often played in the past by a senior wife, or more recently, by a CLO.
11. That a family consists of employee, wife and children. In fact, an increasing number of Foreign Service families include adult dependents, single persons with dependents, or tandem couples with dependents.

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ANNEX B 2

FUNCTIONS OF THE FAMILY LIAISON OFFICE IN CRISIS MANAGEMENT

1. To prepare and provide to Community Liaison Officers resource materials dealing with family aspects of crisis planning with input from the Overseas Briefing Center on how to utilize them fully.
2. When a threatening situation at post has become public knowledge, to establish contact with those family members in the U.S. designated by the employee and spouse.
3. To assist evacuees upon arrival at safehaven in the United States by providing a packet explaining where to go for specific services in the Department and describing the role of M/FLO.
4. To maintain contact with family members throughout the duration of evacuee status, communicating directly with those both in Washington and at other locations, to monitor their concerns and to assist with resolution of specific problems.
5. To advise Department policy makers of unexpected problems which arise in resolving family-related matters.
6. To arrange periodic substantive briefings for family members on developments at post by officers designated by the Director General.
7. To arrange educational briefings for family members on such matters as medical, allowance and media procedures.
8. In consultation with the Bureau, to advise family members on the procedures for communicating with employees at post.
9. To assist support networks of crisis family groups by locating meeting rooms, arranging briefings and printing newsletters.
10. To utilize trained volunteers to provide services in crisis circumstances.
11. To maintain records on numbers of families involved in crisis and types of problems encountered; and to make recommendations for the handling of future emergencies.
12. To coordinate the activities of the Joint Committee on Families in International Crisis. (See Recommendation Six.)

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ANNEX C 1

CONTINGENCY PLANNING AT POST

Briefings at post for families should include:

1. Information about emergency medical, fire and police facilities.
2. Instructions for securing protection from local authorities: whom to call, what information to give, how to say it in the local language.
3. Instructions concerning where to look for local sanctuary and an explanation of relevant local customs, especially those affecting women and children.
4. Substantive updates on the local situation.
5. Embassy procedures for communicating emergency information to families.
6. Official means of communicating with school authorities and plans to ensure safety of children at school.
7. Checklist of personal preparations for emergencies, including food, water and gas supplies as well as documents needed in the event of evacuation.
8. Explanation of procedures if evacuation appears likely. This should cover probable safehaven, arrival procedures, and information on allowances and pay. It should also include implications for allowances and living arrangements if a designated safehaven city is not chosen.

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ANNEX C 2

THE ROLE OF THE COMMUNITY LIAISON OFFICER IN POST CONTINGENCY PLANNING

The role of the CLO (or officer responsible for family concerns) in post planning for and handling of crisis should include responsibility:

1. To assist in forming and testing contingency plans to cover all aspects of family involvement, including single parenting.
2. To transmit to the planning group an awareness of the need for careful presentation of crisis concerns to teenagers.
3. To facilitate a family support network to cooperate with Embassy officials in handling circumstances such as safe evacuation of children from school.
4. In conjunction with the Medical Unit, to submit to the Ambassador a proposal for a mental health grant at a post functioning under continuing stress.
5. To assist the Regional Mental Health Officer in developing workshops on stress management and other measures for coping with continuing crisis.
6. To work with the DCM in establishing an anti-rumor program when needed, as was done in Cairo following the death of President Sadat.
7. To establish and maintain a strong liaison with the Ambassador and DCM on family-related matters.
8. During an evacuation, to ensure that everyone is informed, that no one is stranded and that every child is accompanied by a responsible adult.
9. To provide information about safehaven arrangements.
10. To assist persons safehavened at designated posts.

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ANNEX D

FINANCIAL ASPECTS

The points addressed below relate to areas where present legislation does not authorize adequate coverage of the abnormal circumstances in which families may find themselves in the aftermath of crisis:

1. Safehaven per diem

One element of evacuee status which inhibits the working out of rational living arrangements is the uncertainty about its length. Evacuee families should receive an adequate and continuing per diem until normal life can be resumed. This means that the Subsistence Expense Allowance (SEA), which covers the first six months of evacuee status, should not be lowered after that interval, as happens now, to the Separate Maintenance Allowance (SMA), which presupposes a fully functioning household.

2. Access to stored household effects

The effects to which a family has access after evacuation are those contained in the suitcases with which they left the post; an eventual air freight shipment may reach them if the situation at post permits. Household effects stored in Washington are accessible only with the employee's signature and at his/her expense. The Forum requests the Department to seek authorization to cover reasonable costs of such access in Washington when the safehaven status is likely to be protracted.

3. Insurance coverage of effects

When household effects or private vehicles are destroyed during crisis events abroad, the family's private insurance may exclude payment of claims because of the circumstances of the loss. Reimbursement under the U.S. Claims Act as revised in 1982 is inadequate because of the monetary limitations set on each category of goods and because depreciation applies even to such items as antiques and oriental rugs. The Department should seek authorization

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to compensate such losses. It should also address the question of what is equitable in a situation where a personal vehicle overseas cannot be shipped, sold or safely stored.

4. Health insurance

Health insurance coverage does not make adequate provision for stress-related illness. The Forum underlines the unfortunate consequences for Foreign Service families of the recent reduction in mental health benefits under the U.S. Government subsidized plans.

5. Disability

The Department should address the question of how a family member permanently disabled in a crisis abroad could seek relief.

6. Education allowances

Children at school away from post should receive the tuition allowance for the full school year even if the employee is temporarily evacuated to safehaven or is killed abroad.

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ANNEX E

THE ROLE OF MEDICAL SERVICES IN INTERNATIONAL CRISES

1. Use of regional psychiatrists should be expanded. It is important that families living in a stressful alien environment should have regular access to physicians experienced in crisis intervention and family counseling.
2. Mental health grants should be made available more quickly to posts where tension is mounting.
3. Licensed, certified members of the Association of American Foreign Service Clinical Social Workers should be utilized by Regional Medical Officers in crises.
4. A twenty-four hour hot-line to provide immediate mental health counseling in Washington should be available and publicized for family members involved in crises. This service could be operated under the supervision of the Employee Consultation Service and might utilize the skills of members of the Association of American Foreign Service Clinical Social Workers.
5. Group therapy should be available to family members in crises but it should be recognized that individual counseling may be more appropriate for some.
6. M/MED should participate in the Joint Committee on Families in International Crisis. (See Recommendation Six.)

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ANNEX F

TRAINING RECOMMENDATIONS

Existing courses should include segments which increase sensitivity to the human factor. All Department employees should be aware that, in working with family members, they are helping people with problems rather than problem-people.

Some of the following elements are included in existing programs but need further development. In many cases, more positions and funding will be necessary in order to implement the proposals fully.

At the Foreign Service Institute

A. Language School - Include crisis vocabulary in all FAST courses.

B. Area Studies - Include information on cultural factors relevant to emergency situations, especially those involving women and children.

C. Professional Studies - Increase sensitivity in the training of all personnel to the needs of families in crisis.

1. Ambassador, DCM and Senior Management Training courses should:
   - Stress the importance of maintaining communication with family members at all stages of contingency planning. Parents should be fully informed of security provisions for children at school. As an emergency develops, they should be included in the information network, receive guidelines on appropriate behavior, and be directly briefed on political developments so that they can act responsibly.
   - Describe the role of the CLO both in pre-crisis planning and in emergencies.
   - Promote awareness of the need for full and understandable information to family members about allowances, services and safehaven procedures in preparation for evacuation.

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2. Mid-Career Training: Emphasize problem-solving techniques for dealing with family members under stress.
3. Administrative Training: Emphasize the need to help the family member under stress.
   - Make effective use of the CLO as part of the Emergency Action Plan.
   - Before a crisis erupts, explain what documents will be needed for orderly administrative processing at safehaven and what allowances are available.
   - Tell families what to do as a crisis develops and when the EAP is activated.
4. Secretarial and Communicator Training: In the segments dealing with interpersonal skills, include as examples crisis situations involving spouses, singles or single parents.
5. FSO Entry Orientation: Include a session with family members on contigency planning.

D. Overseas Briefing Center
1. Provide curriculum support to Professional Studies.
2. Extend the workshop in Listening Skills and Family Crisis Management to Civil Service employees who deal with family members.
3. Present more frequently the workshop on Regulations, Allowances and Finances. At present it is offered semi-annually and is regularly over-subscribed.
4. When needed, offer to family members briefings on such topics as stress management and parenting in emergencies.
5. Include in briefings for the wives of senior officers a segment on their community role in handling crisis situatons.
6. Participate in the Joint Committee on Families in International Crisis. (See Recommendation Six.)

E. Coping with Violence Abroad Seminar - Adult and teenage family members should be urged to attend far enough in advance of departure to carry out the preparations recommended in the course.

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- A segment should be included on guidelines for dealing with the media.
- A teen-age module should be developed for the post-specific session.

Other Training Programs

A. Training of Security Officers should stress the importance not only of technical aspects but also of the human relations side of their function, especially in dealing with family members. Include a segment on listening skills.

B. Marine Security Guards often have a special relationship with the children at post. Training that would help them deal with children's fears would be very helpful in crisis-prone posts.

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The Psychological Impact of Communication on the Hostage and Family: A Hostage Experience in Colombia

by Nancy Asencio

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I. Introduction

On February 27, 1980, Independence Day for the Dominican Republic, 11 men and 6 women, members of the guerrilla group known as the M-19, stormed the Dominican Embassy in Bogota, Colombia. During the takeover, a couple of hours of gun battle, one of the terrorists was killed. Several terrorists were injured, as were personal guards of ambassadors and some of the guests at the reception. The guerrillas barricaded and held the site for 61 days.

Representatives from more than a dozen countries were taken hostage, as well as many of their spouses, other guests, and even the caterers. The spouses were released after 30 hours and most of the nondiplomatic persons were released within the first 2 weeks, leaving 15 ambassadors from all over the world as the primary hostages. Among the hostages was my husband, Diego Cortes Asencio, who was then the American Ambasssador to Colombia. Although I did not attend the party and was never in danger, during Diego's captivity we both underwent the most stressful period of our lives.

The taking of the Dominican Embassy was a shock to my husband and me, even though there were many antecedents of such terrorist actions in Nicaragua, Guatemala, and Mexico. At the time of the Dominican crisis the United States was also enduring the humiliation of Tehran, and there had been the then-recent (1979) murders of the American Ambassador to Afghanistan, Adolph Dubs, and the British Ambassador in The Hague. Nevertheless, we never imagine that such a thing will actually happen until we experience it personally. Even now, we function in Brazil with perfect tranquility, although we know that there is always the possibility of a terrorist action anywhere in the world. (It was in Brazil that the American Ambassador, Burke Elbrick, was kidnaped less than 20 years ago.)

Unlike most hostages, the captives at the Dominican Embassy were able to communicate by telephone with their embassies and their families. Although our conversations were brief and monitored, obliging us to talk about the most ordinary subjects, being able to communicate at all provided extraordinary stimulus. Without it, we might not have fared so well.

The terrorists also made political use of the telephone. During the first days of the seige the terrorist leader, Commander One, gave lengthy telephone interviews to the media. As it turned out, the telephone became a channel of communication for negotiating purposes, for finding

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out what was going on, for determining how people were feeling, and for verifying what the Columbian Government's positions were.

II. Hostage and Family Behavior

A. Initial Psychological Reactions at the Time of the Embassy Takeover

When the terrorists shot their way into the Dominican Embassy, my husband's first reaction was to take cover—a survival reflex. Then, he tells me, he prayed, making the most perfect act of contrition of his life. During the shooting, when the terrorists used him as a shield at one of the windows, he felt he was already dead. This thought diminished his fear and he said a silent "goodbye" to his loved ones. Perhaps a feeling of helplessness engendered his stoicism.

Later that day when calls began to be received at the Dominican Embassy from various parts of the world, my husband talked to Leonard Greenwood of the *Los Angeles Times*. When Mr. Greenwood asked him if he had panicked during the shooting, Diego answered that he was about to panic soon if he didn't get some pipe tobacco, since his supply was running low. During his captivity, Diego's pipe smoking became an indispensable comfort to him. Interestingly, a year after his release Diego gave up smoking altogether and has never smoked since.

When Frank Crigler, the deputy chief of mission, telephoned me with the news of the "possibility of some problem" at the Dominican Embassy, I was leaning against a wall in our study. I slid down to the floor, sitting with my knees drawn up, feeling guilty for not having gone to the reception with my husband. The news was sketchy: There was no certainty that Diego was still at the party, so my next reaction was to hope that he had already left. Then there was a broadcast over a Colombian radio station that the American Ambassador was hurt and on his way to the military hospital. In a way, I felt relief. Better to have Diego out of the hands of terrorists; even thinking him hurt was easier to accept than uncertainty. But as I readied to go to him at the hospital, an embassy security guard announced over our radio communications system that terrorists had taken the Dominican Embassy and "Our man is inside."

Fear, frustration, and a feeling of impotence overtook me, compounded by dread that our five children, living in various parts of the United States, would be misinformed through the media. Fortunately, through the help of friends, I was able to inform all the children before they

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heard the news broadcasts. My fears were justified, as reports of Diego's having been shot were quickly broadcast over the U.S. radio stations. Friends of ours in Mexico even heard that he had been killed.

During the first night of 61 nights of captivity, my husband says, he felt isolated from his family, his colleagues, and his Government. Although in the midst of a group of more than 60 fellow hostages, he felt completely alone in the world. His surroundings were very depressing. The wounded were unattended, the house strewn with broken glass. The dead guerrilla lying in the living room was a constant reminder of his own mortality. He was cold and hungry; there was nothing to eat.

Dr. Robert Hillman, in his paper for *The American Journal of Psychiatry* of September 1981, "The Psychopathology of Being Held Hostage,"[1] discusses the behavior of 14 hostages during a riot at a penitentiary in New Mexico. He writes that most of the hostages were certain that they would be killed; they pictured themselves dead after the riot was over.

During the takeover, the hostages at the Dominican Embassy had a similar psychological experience—what Dr. Hillman describes as helplessness, existential fear, and sensory input overload. The 2 hours of gun battle at the Dominican Embassy, accompanied by the screams of the injured, the shattering of glass, the death of the young guerrilla, was certainly sensory input overload. Existential fear was reinforced by the daily threats and by the guns and grenades the terrorists carried, guns pointed at hostages. My husband's initial feeling of helplessness was followed—and reinforced—by his feeling that he was as good as dead.

B. Reactions the Day After the Takeover

The next day, when Diego telephoned me for the first time, he was still depressed and pessimistic. Nevertheless, he spoke of the possibility of a quick solution, probably by the next day. For whatever comfort it gave us at the time, we both pretended that this would happen. The greatest comfort for me that day, and the many days that followed, was hearing his voice, knowing that he was alive, although I was still wondering whether he was hurt.

On that same day I heard from a woman who had been at the reception and had escaped through the kitchen door during the gun battle. She had taken several people with her, including the Peruvian Ambassador, but somehow she had left her own husband behind. I wondered at her behavior and thought about personal survival. In her

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situation would I have been able to escape without Diego? I think not. My son-in-law, Donald Cooke, was a hostage in Tehran. There was a moment when he had an opportunity to attempt an escape with a group, but he chose to stay because he was one of the very few Americans at the Embassy who spoke Farsi, and he felt those being left behind might need his help. His altruistic behavior cost him 444 days of incarceration. One cannot predict how human beings will behave in a given situation.

C. Stress Reduction Through Activity and Communication

1. For the Hostages

The terrorists allowed the hostages to choose five members to represent them. Diego was among those chosen. The five lost no time in introducing themselves into the negotiations for their release, talking both to the guerrillas and, by telephone, to the Colombian Government and their own embassies. Diego's depression and feeling of helplessness diminished considerably with his involvement in these negotiations; he was able to keep mentally and physically active.

The use of the telephone did wonders for the morale of all hostages. Other forms of communication also were effective in raising spirits and reducing stress: Gifts were sent to the hostages by family and friends through the Red Cross—games, food, and wines. My husband was cheered by receiving a large supply of pipe tobacco and crossword puzzles. All of the hostages appreciated seeing a copy I sent of an editorial by Daniel Samper, a journalist respected by the Colombian Left, in which he strongly criticized the M-19 for their actions at the Dominican Embassy.

Two of Diego's most cherished gifts were works of art sent by two Colombian painters. One gift was Easter eggs with a personal message on each one, which David Manzur, my close friend and teacher, decorated for the basket that I sent. The other was an outstanding collage of a condor that Alejandro Obregon made especially for Diego. Most of the terrorists were professional, middle-class citizens, who knew and respected such people as Samper, Manzur, and Obregon and were impressed to find that they were Diego's friends.

Gifts were tokens of love. One curious present was a toilet seat. The bathroom assigned to Diego's group was missing a seat, a special type that was very difficult to find. When at last it was delivered through the Red Cross, Diego's secretary decorated it with Snoopy decals inscribed with

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with the message: "Love is where you find it; I'll be here all day."

Laughter is by far the most important way of releasing tension. Diego's fellow hostages will never forget his parrot jokes. I tried to have something pleasant to say during those 3 precious minutes of communication that occurred almost daily; I went around collecting jokes that I might tell him. When Bob Graham, Governor of Florida, called to offer help, I asked him to send a book of jokes for Diego, which he promptly did.

Ability to speak Spanish was important in reinforcing cordiality between hostages and captors. The fact that the five representatives knew the language allowed them to talk to the terrorists; some, like Diego, even understood the culture. This permitted them to communicate on various levels and ultimately lead the negotiations with the Colombian Government. Communication was not limited to the negotiations; the ambassadors had regular discussions with the terrorists, and even organized a lecture series, much like discussion groups at universities.

Led by Mexican Ambassador Ricardo Galan, most of the hostages engaged in physical exercise such as running in place and doing calisthenics. One day while I was talking to Diego on the telephone I heard screaming in the background and was alarmed. It turned out that some of the hostages were playing soccer in the living room near the phone. Those hostages who were inactive physically and mentally did not hold up as well.

2. For the Families

Early in the crisis I had a telephone call from the wife of one of my husband's colleagues in Washington, asking if I wouldn't consider going to the States. She was calling from the Department of State Operations Center in Washington. My first reaction was to suspect that the Department of State had asked her to telephone; that they were worried about me and wondered how I was coping. This suspicion, for some reason, annoyed me immensely, and I politely declined.

Being there in Colombia was the best course for me. The telephone conversations with Diego were the most positive form of communication. Wives of other hostages felt the same way about being able to talk with their husbands. I was also most fortunate in having the assistance of many persons at the American Embassy and of Colombian friends. This support system was probably a primary reason for my being able to hold up so well under the ordeal. Most of the spouses of other hostages were not as fortunate.

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Realizing that I needed help, and accepting it, was probably my wisest decision. For example, the wife of the deputy chief of mission, Bettie Crigler, suggested that the residence telephone calls be screened. My social secretary did this during the day; from late afternoon until two in the morning a friend, usually from the American Embassy, took over the task.

Although none of my children were in Colombia at the time, my Colombian daughter-in-law, Norma, who was then engaged to my son Charlie, stayed with me for the duration of the crisis. My elderly mother was living with me at the time of the takeover and, not knowing what the outcome would be, I sent her to my sister in the States in order to reduce my own stress.

My children all wanted to travel to Colombia, but I strongly discouraged them. It was painful to keep them away at a time when I would have liked to have had all their love and attention, but one of my emotional reactions was to keep them *safely* in the States. Emotionally I was convinced that they would be in danger if they came to Colombia, and my husband and I agreed that they should stay in the States.

However, my daughter Anne was not convinced that I was holding up as well as I claimed, and her brothers and sister agreed that she should come in the name of all. She also had an understanding boss who was happy to give her some time off. Eventually, she managed to persuade me to let her visit for 2 weeks. It was wonderful having her near, and Diego also was happy to be able to talk to her on the telephone. She came at Easter time, about midway through Diego's captivity.

Manny, then at the University of Maryland, was so distressed that he quit school for the semester and spent most of the 2 months at the home of friends. Charlie, at Notre Dame law school, had a good support system, many friends. Unwilling to stay alone at his apartment, he accepted the offer of friends and moved in with them. Maria Dolores, in Florida at a new job, was living with some of my relatives, where she found support. Frank, our youngest son and a cadet at West Point, tells me that although he was very concerned about his father's situation, he "knew that Dad could handle himself," and apparently he felt the same way about me. As to handling his own emotions, he thinks his Army training strengthened his ability to cope. We have a family joke: Whenever he has a problem, we ask, "Frank, what would you do in a battle situation?" Frank and all the rest did indeed do very well.

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If laughter is the most important tension releaser, then prayer is a most important reinforcer for hope, peace, and mental well-being. Of great comfort to me during Diego's ordeal were the daily visits of our priest from the English-speaking chaplaincy. He came to say Mass twice a week; I received callers only on those days. The service took almost an hour, and afterwards there would be refreshments, allowing enough time for people to express their concern, without tiring me. Some of the spouses of other hostages were plagued by people who, wishing to be helpful, thoroughly exhausted them.

Another advantage I had over some of the other spouses was that I was kept informed daily of the progress of negotiations. It is indeed important for crisis managers to have consideration for the intelligence of the victim's spouse or next of kin and to keep that person well informed. While Diego was negotiating on the inside, I was lobbying on the outside, especially with contacts in the States. These efforts bore fruit, as Secretary of State Vance sent a special emissary, Viron P. Vaky, who was influential in bringing about the final happy outcome.

There were moments of frustration that were almost unbearable. I am a person of action, and I felt such impotence; Diego was in a house across town and I couldn't get to him. I had continued with my Swedish exercise group thrice weekly but, when this activity did not provide enough physical release, I would put on roller skates and vent my fury as I skated faster and faster on the driveway and round the flagpole.

The sustained stress of not knowing how the hostage is (from phone call to phone call in my case) causes great frustration. Since the waiting loved one cannot "get at" the perpetrators, the anger is sometimes projected at the very people who are trying to help. Perhaps this explained why families of hostages directed anger at negotiators, crisis managers, the State Department, and so forth.

D. Dealing With the Media

It was my personal decision not to talk to the media while Diego was a hostage. I also asked my children and relatives to abstain from giving interviews and, with great difficulty, they all managed to avoid the press. Whenever my children found themselves unavoidably faced by a member of the media, they politely explained that they were saving their comments until their father was released. That they showed such maturity and restraints did not surprise me, as "Foreign Service brats" learn early how to handle publicity. What did surprise me was the fact that

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the rest of my family also honored Diego's and my wish that they shun interviews—and I have a very extensive family.

I found the televised scenes of the families of hostages in Tehran obscene. Under no circumstances could I expose my naked emotions to the world. Penne Laingen, wife of the deputy chief of mission who was held in Iran, in an article published by the Association of American Foreign Service Women, wrote: "Perhaps the most difficult and stressful aspect of the crisis for many of the wives was coping with the media."[2] She added: "It was essential that the wives kept themselves from being victimized by the media. I laid down a few ground rules for myself; I would not do a live television program, only tapes, in order to avoid being put in an untenable position." I went a step further than Penne, refusing even to be interviewed by close journalist friends. It is interesting to note that Penne, to my knowledge, was the only wife of the Tehran hostages who was able to communicate by telephone with her husband on several occasions. This reinforcement may have lessened her need to speak to the media.

On the positive side, since most of the families of hostages from Iran had no way of communicating with the victims, some may have been comforted by following the news and knowing that all the people in the United States were sympathetic to their sorrow. The times when the Tehran videotapes were aired must have been very painful, but the visual evidence at least reassured those who could identify their relatives that they were still alive.

I agree with Dr. Yonah Alexander, Director of the Institute for Studies in International Terrorism at the State University of New York, that terrorism is theater, and that terrorists deliberately try to manipulate the media for their own purposes.[3] During the 2-month hostage situation at the Dominican Embassy, Commander One, the leader of the terrorist group, gave several long interviews to the press over the telephone. I would add that the media plays right into the hands of the terrorists. A few days after the taking of the Embasssy, a tent city called "Villa Chiva" (Scoopsville) had sprung up as close to the embassy building as the troops surrounding the place would permit.

Some of the reporters from "Villa Chiva" came out with the first book on the taking of the Dominican Embassy, *Soy el Comandante 1, M-19*,[4] edited by Jose Fajardo and Miguelangel Roldan, and dedicated to "the fellow journalists at 'Villa Chiva.'" It was issued in *April 1980*, before the release of the hostages! On the cover was a photo of Pabon Pabon (Commander One), eyes shining,

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discernible smile under the handkerchief covering his nose and mouth. The cover has the following captions: "Best-seller in Latin America"; "The M-19 Speaks!"

My attention was recently drawn to a book review by Gay Talese, in the *New York Times* Book Review section of December 9.[5] He reviews *The Sicilian*, Mario Puzo's latest book on the Italian Mafia. The reviewer perceives the author as portraying Salvatore Giuliano, "il bandio gentiluomo" (the gentle bandit), as a kind of Robin Hood. Social situations can turn a criminal into a romantic figure. Mr. Talese writes that Mr. Puzo has succeeded in "symbolizing a desperate society through the deeds of a desperado, and in revealing how thin is the line that often separates a freedom-fighter from a terrorist." Perhaps some Colombians viewed Commander One as a freedom fighter.

The Colombian Government did not permit the televising of the events at the Dominican Embassy in the country (the reason was that the terrorists had access to television sets). It was an attempt at a news blackout. Newspapers were also banned from the Dominican Embassy. (The couple of editorials that I sent Diego, I happened to "smuggle" within the pages of the crossword puzzles.) Personally, I was relieved not to be subjected to a daily bombardment of adverse television stimuli. It was bad enough seeing the photographs in the newspapers every day.

Paul Wilkinson writes in his book, *Terrorism and the Liberal State*, "Liberal democratic governments have to carry their publics with them in broad support of their responses to terrorism. Moreover, due to the efforts of free and energetic media, the public generally develops very strong emotions and opinions about the terrorism in the headlines."[6] While I am in favor of a free press, I feel that the press has to do some self-censoring. During recent years some of our American television networks have attempted to address this problem. Sensationalism at the expense of human suffering is unforgivable.

III. The Effect of U.S. Hostage Policy

The terrorists allowed and encouraged the use of the telephone. They hoped that the captives would influence their respective governments to exert pressure upon the Colombian Government to accede to the terrorists' demands, which were payment of a ransom of $50 million and the release of more than 300 political prisoners.

U.S. hostage policy was no ransom, no prisoners, no dialog. To quote Robert M. Sayre, former Chairman of the Interdepartmental Group on Terrorism of the Department

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of State: "What is the U.S. policy on combating terrorism? First we resist blackmail and pursue terrorists with the full force of the law, as do other countries. We do not pay ransom for any of our employees who may be taken hostage, and we encourage businesses to follow a similar policy. We do not bargain for the release of hostages, for we think that making concessions to terrorist blackmail only makes the problem worse for others who might be taken in the future."[7]

My husband always supported the U.S. policy of no ransom, no exchange of prisoners, even while he himself was in captivity. However, he is a firm believer in dialog, with force to be used only when it becomes inevitable. His firm stand resulted in arguments with some of his colleagues inside the Dominican Embassy.

Diego believes that our basic hostage negotiating policy needs to be rethought. He likes to refer to Frank Bolz, who set up one of the first hostage squads in the United States for the New York City Police Department and wrote the book *Hostage Cop*.[8] With the help of psychologists and other professionals, Bolz outlined some ground rules and guidelines on dealing with hostage situations. One of the tenets, the Stockholm syndrome, assumes that the hostages, who are under duress, may feel sympathetic to their captors and may even help them; therefore, the hostages' judgment should not be trusted. They should be told to be still and wait to be rescued.

Back in Washington, Diego's messages were viewed with skepticism, and some colleagues there were sure that he was suffering from the Stockholm syndrome. His deputy in Bogota was caught between following his ambassador's instructions and fearing to disobey the conflicting orders from Washington. These problems accentuated Diego's frustration. He was being much more effective than his colleagues on the outside, and yet he was not being taken seriously; his actions were not being acknowledged.

Dr. Hillman, in his study of the 14 hostages at the New Mexico penitentiary, found that not one of them had suffered from the Stockholm syndrome. However, among the conclusions in his paper, he says:

It is obvious that there is no way a hostage 'should' act. The hostage, in fact, has no choice. 'Totally helpless' accurately describes his position. The hostage, who is severely traumatized, may respond in a pathological manner to dangerous instructions. Negotiators, as well as those who later analyse the hostages' responses, should keep this in mind.

Diego was completely rational and, as was later proved, not completely helpless; he was able to use his mind. But

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apparently State Department crisis managers must have drawn conclusions similar to Dr. Hillman's.

IV. Aftereffects on the Hostage and Family

My feelings of guilt for not having been with Diego at the Dominican Embassy have lasted for years. I became so concerned with his safety that after his release, when he had to travel frequently, I found it very difficult to be separated from him. Each time he left on a trip I went through a traumatic experience.

In some situations the families of victims suffer more, psychologically, than does the victim. The hostage knows how he is; the loved one lives with uncertainty until the moment of being reunited. And, even later, the aftereffects can be more acute in a family member. Although the Tehran hostage crisis was completely different from the Colombian, when we met with a large group of former Iran hostages and their families in April 1981, I was surprised at the similarities in some of my reactions and those of some members of their families.

Diego and I participated with the State Department's medical team in a group therapy program for the former hostages from Iran, their families, and others significantly involved, called a "90-day reunion." It was held at the Greenbriar Hotel in White Sulphur Springs, West Virginia. The ex-hostages and their families had the option of just enjoying a few days of rest or participating in the scheduled workshops and meetings. A considerable number participated. Although I considered Diego and myself to be more of a "control group" being analyzed along with the other "subjects," I felt that my cooperation might help me, and perhaps others as well.

It was at Greenbriar that I had my first outburst of anger with my husband. It was a year after his release. Unfortunately, I don't think he ever understood what the uproar was all about. For the next 3 years I had therapy, and I have finally come to understand some of my problems: During the separation imposed by the hostage situation husbands and wives tend to idealize each other. When we were reunited we found that we were the same human beings as before, with the same faults and frailties.

The *Washington Post*, in an article titled "Aftermath" (September 1981)[9], discusses the lingering effects for the hostages from Tehran and their families. It cites attempted suicides, divorces, insomnia, and other psychopathologies.

An article published in the *New York Times* November 4, 1984, commemorating the fifth anniversary of the taking of the American Embassy in Tehran, states that most of the

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hostages have "picked up the threads of their lives" and are in relatively good form, but a few are still suffering from the effects of their captivity. Moorehead Kennedy, one of the hostages interviewed, said: "My wife and I were talking this over the other night. It took a long time to get over the hostage experience. It's been just now, during the last 6 months that we really feel back on the track."[10]

According to Dr. Hillman, "the intensity of the hostage experience, and not its duration, determines the later development of a traumatic neurosis." My son-in-law, Donald Cooke (Diego and I met Don at Greenbriar and introduced him to our daughter Anne a month later; by September they had married), has never shown any negative aftereffects from his experience in Tehran. He feels that, if anything, there were positive changes, such as greater empathy for other people. Diego insists that he came out of the Dominican Embassy in Bogota in better shape than he went in. He exercised, ate only one meal a day, and lost 20 pounds. His hearing became more acute and his eyesight improved. He has shown no negative personality changes; in fact, one could say that he is now mellower and more sensitive.

These two hostages, Diego and Don, had completely different experiences:

- Diego was held 61 days; Don 444.
- Diego's group was in a barricade situation; Don's was not.
- Diego was in a friendly nation; Don was in a hostile one.
- Diego was never moved from his place of captivity; Don was moved often.
- Diego stayed throughout with the same hostage colleagues; Don had 12 different roommates.
- Diego was encouraged to organize and work with his fellow hostages; Don was not.
- Diego had use of the telephone almost daily; Don never had.
- Diego was the only American in his group; Don's fellow hostages were all Americans.
- Diego had 23 years of experience as a diplomat; Don was at his first post.

I have tried to find similarities in Don's and Diego's situations, to try to explain the fact that both men came out of their crises so well:

- Diego spoke Spanish fluently; Don spoke Farsi fluently.
- Diego talked with his captors; Don talked with his guards.

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- Diego conversed with other hostages; Don conversed with his fellow hostages.
- Diego was allowed packages through the Red Cross; Don was allowed mail.

Don considers himself to be among the one-fourth of the Tehran hostages who reacted well during and after the crisis. He tells me that he felt that he was well informed and had a general perception of the situation, and therefore he was not as worried about the outcome. He experienced a personality clash with only a couple of his dozen roommates. Except in the initial period, his captors allowed him and his roommate to talk to one another.

Even during the time they were not allowed to talk, they managed nonverbal communication. After they were allowed to speak they shared one another's mail. Don said that the best thing in the world was everyone receiving mail; the second best was no one receiving mail; worst of all was only one person receiving mail. Sometimes the guards kept mail from them as a form of torture.

I asked both Diego and Don how they felt about the recent hijacking of the Kuwait Airlines airplane, taken to Tehran. Both felt great empathy, although their concern was not as great as it would have been if they had known the American hostages aboard personally. Don's main concern was for a Foreign Service friend based in Kuwait who, he felt, might be very disturbed by the incident. When I asked Don if he had any ideas how the terrorists would react, he said that he knew Persians well (his captors in Tehran) but not Arabs (the terrorists holding the hostages in the Kuwait Airlines plane). When I asked Don if he would mind serving in that part of the world again, he said no.

V. Recommendations

1. Special attention should be paid to any communications from hostages. They should not be disregarded; the possibility of the Stockholm syndrome should not be regarded as a certainty.

2. A mature, capable hostage should not be discouraged from active participation in the negotiations. In fact, persons who are in a high-risk position for kidnaping should be trained on how to best deal with their captors. (The ambassadors at the Dominican Embassy, using their negotiating capabilities, were able to help bring about their own release.)

3. Dialog is the most effective way of solving a hostage situation. Force should be used only as a last resort.

4. A hostage should try to stay physically and mentally active; those who do are less likely to suffer from

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psychological problems during and after captivity.

5. Whenever possible, messages should be sent to the hostages. Any form of communication should be attempted.

6. Families of hostages should be kept informed of the course of negotiations.

7. Families should be advised to deal with the media carefully, if at all.

8. After release, therapy for the hostage and the family is advisable in most cases.

9. Further studies should be made of ex-hostages and their families, in order to alert and better orient high-risk personnel, whether in Government or in the private sector.

Notes

[1]Robert D. Hillman, "The Psychopathology of Being Held Hostage," *American Journal of Psychiatry, 138*, 9, 1981.

[2]Penne Laingen, *Promises to Keep: The Hostage Wives*, 1983.

[3]Yonah Alexander, *World Affairs, 146*, No. 1, 1983.

[4]Jose Fajardo, and Miguelangel Roldan, *Soy el Comandante 1, M-19*, (Bogota: Editorial Oveja Negra, April 1980).

[5]Gay Talese, "In the Land of the Godfather," book review, *New York Times*, December 9, 1984, pp. 1, 44.

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[7]Robert Sayre, *World Affairs, 146*, No. 1, 1983.

[8]Frank Bolz, and Edward Hershey, *Hostage Cop* (New York: Rawson, Wade Publishers, Inc., 1979).

[9]Kathy Sawyer, "Aftermath, Ex-hostages Run into Problems," *Washington Post*, September 8, 1981, p. A 11.

[10]Frank J. Prial, "5 Years After Embassy's Fall, Former Hostages Reflect on 444 Days in Iran," *New York Times*, November 4, 1984, p. 33.

Nancy Asencio

Nancy Asencio holds a degree in psychology from George Washington University. She remained in Colombia while her husband was held hostage and played a key role in the negotiations for the release of the hostages. She and her husband coauthored *Our Man Is Inside*, an account of their experiences during this trying time. Mrs. Asencio has more than 28 years of diplomatic experience throughout the world and is currently working on a novel about the Foreign Service.

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July 1, 1985

The Honorable
Pat Schroeder
Chairwoman
Subcommittee on Civil Service
Room 122 Cannon HOB
Washington, D. C. 20415

This is in reference to the Hostage Relief Act of 1980 and pending legislation to compensate victims of terrorism. As a former Iranian hostage, I wish to convey my views for your consideration.

During the negotiations between the Carter administration and Iran, the United States became convinced that Iran would remain firm in its insistence that neither the hostages nor anyone else under U.S. jurisdiction would be permitted to sue Iran for damages based on the hostage-taking. However, by agreeing to the Iranian demands of no legal redress, the President stripped us of one of our fundamental Constitutional rights. It is hard to deny that our release should have taken precedence over the question of relinquishing our right to seek possible future damages from Iran in either U.S. or foreign courts, but by so doing, we lost any opportunity for appeal.

What's more, the entire episode was unprecedented, illegal, and the terms agreed to were clearly signed under duress. Therefore, it is my contention that the U.S. Government, for foreign policy reasons, took away from us a critical proprietary right.

In 1981 the President's Commission on Hostage Compensation examined other situations in which governments had compensated or extended benefits to citizens taken hostage abroad. The information they collected indicated that none of the countries had a specific mechanism for providing compensation beyond the normal salary accrued during the period of captivity. However, no other foreign embassy and its personnel had ever been taken hostage and held with the support and encouragement of a host country government.

The Commission pointed out that previous efforts to sue foreign nations in the U.S. courts for unlawful detention or hostage-taking have been extremely rare and entirely unsuccessful. Also, taking the case to an international tribunal did not appear to offer a viable remedy. This, despite the International Court of Justice ruling that Iran had an obligation to make reparation. Unfortunately, the case was withdrawn as part of the agreements leading to our release.

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The Commission also considered various bases under which direct financial benefits for the hostages might be warranted; they concluded that monetary benefits, modeled after the statute providing similar payments to American prisoners of war and wartime civilian internees, would be appropriate. They reviewed the provision of the War Claims Act of 1948, and although the Act was not designed to cover hostage situations of the kind experienced in Iran, the Commission concluded that it nevertheless provided the closest precedent to the situation they had been asked to consider. As a result, the Commission recommended that the hostages receive $12.50 per day as compensation.

However, we were not Prisoners of War; nor are we veterans of an "Iranian War." Our nation was at peace with Iran and the Embassy staff was serving a genuine diplomatic function and, as such, was under the protection of the Geneva and Vienna rules. The Government of Iran, or persons acting with its support and approval, held U.S. citizens hostage and threatened our lives in order to coerce the United States into taking actions which the U.S. had no international legal obligation to take. In sum, the Iranian government maliciously abetted and, later controlled the circumstances of our captivity. Therefore, I believe that the government of Iran should ultimately be held accountable for the 14 and 1/2 months of our incarceration and for any subsequent compensation that may arise from the captured time.

Mr. Gary Lee has personal knowledge of another case where diplomatic relations were severed under stressful conditions--Syria/United States break of relations in 1967. Gary was the first administrative officer to re-enter Damascus and, when relations were resumed in 1975, one of the issues raised with the Syrian Government was the repayment by the Syrian Government for the claims that the U.S. had paid out as a direct result of mob action against our Consulate General in Allepo, Syria. To the best of his recollection, the claim was for a total of $167,000 and the Syrian Government acknowledged both the claim and their responsibility to repay the U.S. Government. Consequently, should relations ever be reestablished between Iran and the United States, any claims or compensation should certainly be part of the negotiations.

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The suggested compensation of $12.50 per day is ludicrous and should be dismissed. In my opinion the amount of compensation should be mandatory and based upon the per diem rate of the country in which the incident occurred. The U.S. government would then impose an obligation on the country involved to make reparation for injuries suffered. In addition, I strongly urge that the legislation include the military, inasmuch as everyone at a U.S. Embassy represents the United States and should not be overlooked. As one of the witnesses mentioned at the recent hearings, 'we all work for the same Uncle.'

In conclusion, let me say that when we returned home from Iran, we certainly did not expect the tremendous outpouring of love and affection that was showered upon us. We were most grateful and thankful for the support of the American people while we were hostages.

However, it should be pointed out that what happened to us was unique in American and modern diplomatic history. To compare us with brave Vietnam veterans, and especially POWs, does an injustice to us all. The decision to compensate us should be based upon our status as diplomats who were held hostage by a nation with whom we were at peace. It is wholly incorrect to compare us to soldiers who were serving our country abroad in a time of war, declared or otherwise.

Very truly yours,

Bruce W. German

Gary E. Lee

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President's Commission on Hostage Compensation

Room 1004 NS
Department of State
Washington, D.C. 20520

Phone (202) 632-3116

September 21, 1981

Dear Mr. President:

Your Commission officially met six times to learn firsthand of the barbarous treatment afforded the 72 United States citizens involved in the hostage-taking incident in Iran. Their fortitude in captivity was exemplary and certainly warrants the high esteem in which they are held by their fellow countrymen.

After examining precedents and other factors which are set out in the presidential executive order under which we operated we concluded that compensation in the tort sense was not appropriate.

The Commission focused on the obligation that the U.S. government has as an employer. Hence our recommendations are based upon objectives for the former hostages of:

- restoring their health
- to the extent that health cannot be restored, providing appropriate disability benefits
- restoring and sustaining their professional careers
- restoring personal property damages to the extent that they can be documented.

We also recommend the payment of a token detention benefit. Such payments are consistent with past precedent and have been made to prisoners of war since World War II and to the Pueblo hostages.

The President,

The White House.

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Further, to provide for future contingencies, we recommend that the Hostage Relief Act be made permanent so that in the unfortunate event of another hostage-taking the legal framework will exist to deal with the immediate requirements which result. The need for the availability of such a framework is particularly acute for family members of hostages.

Finally we suggest that the subject of the United States government's responsibility for private citizens traveling abroad for their own reasons be considered as a matter of policy.

The report, which follows, contains our recommendations along with the rationale for each. In addition we have attempted to document in an orderly way the facts we found during the investigation we conducted. We hope this document will be a useful reference.

We wish to express our appreciation to the Commission's staff for its fine support and to the many individuals in the Department of State, Department of Defense, and other federal agencies who contributed to the work of the Commission.

All of the Commissioners join me in expressing to you our pleasure in serving.

Respectfully,

James C. Wright, Jr.
Chairman

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PRESIDENT'S COMMISSION ON HOSTAGE COMPENSATION

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Chairman

Constance D. Armitage
Anderson Carter
Robert N. Giaimo
Henry Lucas, Jr.
Henry Bellmon
Jeanne R. Perst
Patricia Roberts Harris
Cyrus R. Vance

COMMISSION STAFF

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Deputy Executive Secretary

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FINAL REPORT AND RECOMMENDATIONS

OF

THE PRESIDENT'S COMMISSION ON HOSTAGE COMPENSATION

September 21, 1981

WASHINGTON, D.C.

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INTRODUCTION

The President's Commission on Hostage Compensation was created by executive order on January 19, 1981. In the executive order and the Commission's charter, which is attached as Appendix A to this report, the Commission was charged with the task of making recommendations to the President as to whether the United States should provide financial compensation to the United States nationals held hostage in Iran on and after November 4, 1979. The Commission was also asked to make recommendations on the more general questions of whether compensation should be paid to all U.S. nationals held in captivity outside the United States by or with the approval of a foreign government or by reason of their status as employees or dependents of employees of the U.S. Government. The Commission was further asked to consider whether any legislation it might recommend should set forth legislative standards for eligibility, whether standards should be applied uniformly to military, civilian, dependent and private citizen hostages, who should determine amounts of compensation, and whether compensation should be paid to family members of hostages.

There are few Americans who are not familiar in some degree with the details of the Iranian hostage situation. While hostages have been taken in the past and the practice has become all too familiar with the growth of terrorist activities throughout the world in recent years, no single

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past incident had the impact or scope of the Iranian hostage taking. The attention and sympathy of the American people were fixed on the hostages throughout their long captivity and the Commission, which had the opportunity to hear directly from some of the hostages the details of their ordeal, came to feel a profound respect and admiration for the fortitude and dignity with which these men and women endured the hardships, anxieties and the constant uncertainty of their long captivity. In its deliberations, the Commission also became keenly aware of the plight of the hostage families who were forced to bear the burden of anxiety and uncertainty over the fate of their loved ones, a condition they shared with the dependents of so many missing in action and prisoners of war in past conflicts. They acquitted themselves extremely well under pressure and justly shared in the warm welcome the American people accorded the returning hostages.

WORK PROGRAM

The Commission held six meetings in Washington, D.C. at the Department of State between July 6 and August 7, 1981. Notices of the meetings were published in the Federal Register and publicized by Department of State press releases. The Commission received and considered oral and written statements from U.S. Government officials, from hostages and members of their families, and from other persons who wished to present their views. Various agencies of the Federal Government

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provided assistance to the Commission in its work, for which it wishes to express its appreciation.

FACTUAL BACKGROUND

The Events in Iran

At its first meeting, the Commission requested a full briefing on the history and circumstances of the Iran hostage incident. The Executive Secretary of the Bureau of Near Eastern and South Asian Affairs of the Department of State, who had been closely involved in the hostage negotiations, appeared before it and provided the statement of facts which appears at Appendix B. There were seventy-two American citizens in Iran who were seized or forced into protective refuge in Tehran on November 4, 1979. A full list of the persons affected appears at Appendix C. Of the seventy-two, all but one were U.S. Government employees or working under contract to the U.S. Government. The sole exception was a private citizen who was in Iran for reasons of his own. Fifty-two persons were held in confinement for the entire 444 days, three of these were detained at the Iranian Foreign Ministry until 17 days before the end and then transferred to prison, one was released after 249 days because of illness, six persons were sheltered by the Canadian Embassy and were smuggled out of Iran after 86 days, eleven were released after 16 days and two after 14 days imprisonment.

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The Commission devoted particular attention to the treatment accorded the hostages by their captors, obtaining statements from officials of the Department of State who had debriefed all the hostages and from some of the hostages themselves. These statements confirm that those hostages in the custody of the militants who stormed the Embassy, and subsequently of the revolutionary guards, were subjected to a harrowing ordeal. The initial period, from November 1979 until about April 1980, was the most terrifying for the hostages. They were bound hand and foot, frequently blindfolded, and denied the right to communicate with each other or with their captors except to request basic necessities. The food they received ranged from marginal to vile, and periods of exercise or access to fresh air and sun were infrequent. Many were housed in the basement of a large warehouse which was airless and windowless. Some were paraded blindfolded with hands bound behind their backs before hostile and chanting crowds. Some were repeatedly beaten and subjected to long periods of solitary confinement in cramped cells. One man spent 425 of the 444 days alone in cells as small as 6 by 4 1/2 feet and was allowed out of doors for a total of less than 8 hours during the entire 444 days.

All of the hostages were required to seek permission for their every need, thus creating a sense of dependency. This total dependency became a form of torture intended to render them submissive and obedient. Many of them were

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subjected to torture in other forms such as holding a pistol to a captive's head and threatening instant execution if he failed to provide information or open a safe. Many of the hostages were repeatedly accused of being spies and threatened with trial and execution. All were held accountable for the perceived actions of the United States and kept in a constant state of intense anxiety and uncertainty about their eventual fate.

Other Hostage Incidents

The Commission also considered other hostage-taking incidents of which U.S. citizens and officials have been the victims. During the period in which the U.S. Government has systematically compiled statistics on international terrorism, 1968 to the present (using December 31, 1980 as the cut-off date), there has been a total of 540 recorded international hostage-taking incidents.* Thirty-four per cent of these, or 184 incidents, have been directed against United States citizens or facilities. Fifty of these were incidents in which at least one United States official was the victim or intended victim. A list of these cases is attached at Appendix D.

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*This total includes both kidnappings and hostage-barricade incidents. The latter are defined as cases in which the perpetrators seize one or more hostages but make no attempt to leave the scene. Negotiations to release the victims are carried out with the perpetrators at the site.

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The Commission was informed by the Acting Director of the Office for Combatting Terrorism, Department of State, that in dealing with terrorist incidents, it is U.S. policy not to pay ransom, not to release prisoners, not to give in otherwise to substantive demands of terrorists and not to bargain for the release of hostages.

On reviewing the information obtained on civilian and official American hostage takings, including the fifty cases listed at Appendix D, the Commission noted the following factors of special relevance to its mandate--the matter of hostage compensation:

(1) In contrast to kidnappings of private American citizens, the seizure of American public officials is normally for a political purpose. Often this relationship is once-removed, in that the perpetrators place demands on the local government, but hold the American official to embarrass that government's relations with the United States if the demands are not fulfilled.

(2) The essential nature of such incidents can only be perceived after the intention of the perpetrators becomes clear. In some cases, the intention in seizing an American official is merely to gain publicity for the perpetrators' cause; in others, it is to threaten a more serious future action; in most, the intention is to obtain fulfillment of certain identified demands in return for the release of the hostage official.

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(3) This linkage between the demands of the perpetrators and the fate of their hostage makes the probability in these cases that the hostage will be killed or seriously injured very substantial. Of the cases reviewed, seven were not successfully resolved, resulting in the deaths of the nine officials held hostage. The remaining forty-three ended with the release or escape of the officials involved.

(4) The Iran hostage case is unique because the foreign government itself was involved on the side of the perpetrators. In this case, the isolation of the perpetrators and the application of pressure for the release of their victims had to be effected by sanctions imposed by other governments and by a judgment by the World Court.

LEGAL BACKGROUND

The Algiers Agreements

In the course of its efforts to obtain the release of the Iranian hostages, the United States Government sought and obtained from the International Court of Justice a judgment, issued on May 24, 1980, in which the Court held unanimously that Iran's takeover of the Embassy and continued holding of the hostages were inadmissible acts in a civilized international order and could not be justified by past or current grievances, real or imagined. By a 12-3 majority, the Court further held that Iran had an obligation to make reparation to the

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United States for the injuries suffered as a result of the hostage seizure.

However, as negotiations proceeded in late 1980 and early 1981 through Algerian intermediaries, the Iranian side remained firm in its insistence that the United States could not obtain the release of the hostages unless it guaranteed that neither the hostages nor anyone else under U.S. jurisdiction would be permitted to sue Iran for damages based on the hostage taking in either U.S. or foreign courts. During the course of the negotiations, the U.S. representatives became convinced that Iran would not modify this demand. They consulted a number of hostage families and attorneys for some of them who agreed that release of the hostages should take precedence over the question of relinquishing their right to seek possible future damages from Iran in either U.S. or foreign courts.*

As a consequence of Iranian intransigence on this point, the Algiers Agreements in paragraph 11 of the "Declaration of the Government of the Democratic and Popular Republic of Algeria" contain the following wording:

> "Upon the making by the Government of Algeria of the certification described in Paragraph 3 above" the United States will promptly withdraw all claims now pending against Iran before the International Court of Justice and will thereafter bar and preclude the prosecution against Iran of any pending or future claim of the United States or a United States national arising out

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*Testimony of Mr. Warren Christopher and former Secretary of State Muskie in The Iran Agreements, Hearings Before the Committee on Foreign Relations, United States Senate, February 17, 1981, pages 37 and 48-49.

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of events occurring before the date of this declaration related to (A) the seizure of the 52 United States nationals on November 4, 1979, (B) their subsequent detention, (C) injury to United States property or property of the United States nationals within the United States Embassy compound in Tehran after November 3, 1979, and (D) injury to the United States nationals or their property as a result of popular movements in the course of the Islamic Revolution in Iran which were not an act of the Government of Iran. The United States will also bar and preclude the prosecution against Iran in the courts of the United States of any pending or future claim asserted by persons other than the United States nationals arising out of the events specified in the preceding sentence."

("The Government of Algeria certifies to the Algerian Central Bank that the 52 U.S. nationals have safely departed from Iran.")

In fulfillment of the commitment contained in the U.S. signature of the Declaration, Executive Order 12283 was issued on the same day, January 19, 1981, by President Carter. The Executive Order directed the Secretary of the Treasury to issue regulations implementing the commitments contained in the Algiers Declaration and to notify all appropriate courts of the action.

Finally, to give formal effect to Executive Order 12283, and other Executive Orders issued on January 19, amendments to the Iranian Assets Control Regulations (31 CFR Part 535) were issued by the Office of Foreign Assets Control, Department of the Treasury, on February 24, 1981, with retroactive effect to January 19, 1981. The full text of the relevant portions of these documents appears in Appendix E.

The Commission heard the views of persons representing hostages who took the position that the United States was

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not obligated to abide by the terms of the Algiers Agreements since they were signed under duress. The argument was put forward that in choosing to implement the Agreements at a time when the argument of duress no longer applied and the hostages were safe in the United States, the U.S. Government for foreign policy reasons had taken from the hostages a property right. Therefore, it was claimed, they were due compensation if the Fifth Amendment to the Constitution were not to be violated.

The Commission noted that the Department of Justice has taken the position in litigation brought by former hostages and their families that no taking of property for Fifth Amendment purposes has occurred as a result of the settlement of their potential claims.

Precedents

The Commission examined other situations in which, as a matter of practice or pursuant to specific legal authority, governments had in the past compensated or extended benefits to citizens taken hostage abroad.

At the Commission's request, the Department of State queried American embassies in a number of foreign countries concerning host country practice with regard to hostage compensation. The information collected indicated that none of the countries had established a specific legal mechanism for providing compensation and that none customarily paid

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additional compensation to their officials or employees held hostage beyond the normal salary accrued during the period of captivity.

The Commission also examined the precedents under U.S. law concerning analogous situations. On the basis of an initial review, the Committee determined that alternative remedies for detention or internment might be obtained:

-- through some form of adjudication or arbitration;
-- under formal statutory authority for awarding benefits; or
-- under a statutory program analogous to state workmen's compensation laws, treating the injuries as work-related and entitling the individual concerned to disability payments.

Adjudication or Arbitration

Historically, efforts to sue foreign nations in U.S. courts for unlawful detention or hostage-taking have been extremely rare and entirely unsuccessful. Among the legal barriers to such litigation are the "Act of State" doctrine, which precludes U.S. courts from determining the validity of the acts of foreign states within their own territory, and the immunity of foreign sovereigns from the jurisdiction of U.S. courts. Although there are exceptions to both doctrines, past decisions appeared to the Commission to provide little basis for construing those exceptions broadly enough to encompass hostage-taking in foreign countries.

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Similarly, adjudication of hostage-taking incidents by an international tribunal did not appear to offer a viable remedy to individual hostages. Although the vast majority of states have condemned the taking of hostages and have by unanimous consent adopted the United Nations International Convention Against the Taking of Hostages, international law generally limits the opportunities for individuals to pursue claims against foreign states on an international basis. Such claims must either be pursued in foreign courts or taken up ("espoused") by the individual's own government. The Commission noted that the International Court of Justice had held, in the Case concerning United States Diplomatic and Consular Staff in Tehran, that Iran had an obligation to make reparation to the United States as a result of the seizure of the Embassy and its personnel. The case was withdrawn, however, as part of the agreements leading to the release of the hostages.

Historically, the United States has extended diplomatic protection to its citizens by espousing their claims, including claims for detention in violation of international law, and endeavoring to negotiate direct settlements with the foreign governments concerned. In some situations, claims have been submitted to arbitration before bilateral claims commissions. There have, however, been few cases of espousal in post-World War II U.S. practice, and in several cases, U.S. courts have rejected attempts to compel the Government

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to espouse a claim or to negotiate more vigorously for an individual's release on the grounds that the judiciary will not interfere with the discretionary authority of the executive branch to extend diplomatic protection.

The Commission concluded that neither domestic nor international adjudication or arbitration appeared to offer a reliable remedy for the hostages.

Statutory Remedies

The Commission also considered the War Claims Act of 1948, which established a separate mechanism for providing monetary benefits to Americans in specified categories (e.g., prisoners of war and civilian internees) held abroad by hostile forces during designated periods or incidents (i.e., World War II, Korea, the Pueblo incident and Vietnam).

According to its Congressional sponsors, the Act was viewed as a "unique postwar experiment" intended to provide the payment of "token sums" as a "symbolic gesture on the part of the United States expressing recognition of the hardship suffered by the beneficiaries." In this respect, the Commission noted that payments under the Act differ from reparations made by foreign governments to compensate for the harm actually inflicted. Claims under the Act are submitted to and adjudicated by a domestic agency, the Foreign Claims Settlement Commission. Although World War II awards were paid from seized enemy assets, awards associated with

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later conflicts have been paid by the U.S. Treasury from funds appropriated for the purpose.

The Comission noted in particular that the basis for and small size of the awards specified in the Act underscored their non-compensatory nature. POWs of World War II and the Korean conflict were paid at the rate of $1 for each day of detention during which they were inadequately fed in violation of standards established in the Geneva Convention of 1929. Separate benefits of $1.50 a day were provided for those POWs required to perform forced labor in violation of the Geneva Convention or subjected to inhumane treatment. The rates of payment were increased in 1970 for Vietnam POWs to $2 per day for inadequate food and $3 per day for inhumane treatment. American civilian internees of World War II and Korea received similar benefits of $60 per month ($25 per month for persons less than eighteen years of age), which were increased to $150 per month for the Vietnam conflict.

The Commission noted that awards under the Act were not made to all POWs but only to those whose treatment failed to meet legal standards. It also noted that payments were not made to POWs and civilian internees in Vietnam who "voluntarily, knowingly, and without duress" aided, collaborated with, or in any manner served the hostile forces with which the U.S. was engaged during the conflict in question. In addition, civilian American citizens interned

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in the European theater during World War II were not included since they had had ample warning to evacuate that area. A detailed analysis of this legislation appears as Appendix F.

Federal Employment Compensation Statutes

Since all but one of the hostages were employed by the Federal Government, the Commission also examined current federal employment compensation legislation to determine if the benefits provided would extend to liabilities incurred as the consequence of the hostage-taking experience.

Federal civilian employees are covered by the Federal Employees' Compensation Act, Chapter 81, Title 5, United States Code. The law describes the compensable harm as one resulting from personal injury "sustained while in the performance of... duty". Disability or death from "war-risk hazard", or during or as a result of capture, detention, or other restraint by a "hostile force or individual" when employed outside the United States, is also covered. Those hostages who were members of the armed forces are eligible for disability compensation under the separate Military Disability Retirement System found in Chapter 61 of Title 10, United States Code.

BENEFITS AVAILABLE FOR HOSTAGES

In considering the question of compensation for the hostages in Iran and in its search for a general approach which could be applied to future victims of hostage takings,

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the Commission examined in detail existing legislation which provides benefits or compensation to hostages or their surviving dependents. Secondly, the Commission examined the benefits which had been extended in the Iranian case by the Hostage Relief Act of 1980 and by administrative action by the Departments which employed the hostages.

Medical expenses incurred by the hostages were covered by either the medical program of the Department of State in the case of civilians or by the medical program of the Department of Defense for members of the armed forces. The Hostage Relief Act of 1980 was passed by the Congress in October of that year to provide medical coverage for the family members of civilian employees who were in the United States for conditions arising out of the captivity of their hostage relatives and to provide educational and tax relief and other benefits. The provisions of the Hostage Relief Act are explained in more detail in Appendix G, which also contains a description of benefits available to the hostages from other legislation. The table at Appendix H shows the manner in which the various benefits were utilized in the Iranian case.

In the table, the Commission sought, as far as possible, to include only those benefits which were over and above the pay, allowances and other emoluments which would have accrued to the hostages during a normal tour of duty in Tehran. The resulting picture of benefits provided or avail-

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able is a useful indication of the adequacy of current legislation to deal with hostage situations.

The benefits listed in the table are those provided by the Federal Government under specific statutory authority. Contributions, awards, honoraria, or fees provided by sources in the private sector were not taken into consideration. However, a benefit such as airline transportation, which the Government would have provided had it not been provided as a gratuity by commercial airlines, is included. The intention of this compilation of benefits, in short, was not to depict the cost to the Federal Government of benefits actually provided to the Iran hostages, but to depict the benefits which would be available to any group of hostages under the legislation and authorities then in effect.

The Commission found that, on the whole, the combination of pre-existing legislation and the remedial measures taken by the Congress in passing the Hostage Relief Act and the new amendment to the Military Personnel and Civilian Employees' Claims Act of 1964, which raised the limit on claims for loss of property sustained as a result of hostile action, riot, or evacuation to $40,000, very largely met the objective of making restitution for specific losses of property or medical injuries suffered. The Commission did, however, identify some shortcomings, or potential shortcomings, in the legislation and points these out with appropriate recommenda-

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tions for amendment, in the section of this report which contains its conclusions.

Since the inception of the Iran hostage incident, the agencies for which the hostages worked have taken every administrative measure possible to ease the plight of the hostages and their families. Meetings of hostage families were organized, pay and allowances of the hostages were continued during their captivity and premium pay rates granted to some of the lower ranking employees where administratively possible. Some agencies, particularly the Department of Defense, were better prepared to cope with the situation by reason of having established procedures in being to deal with missing in action cases. On the basis of the Iran experience, it seems that the foreign affairs agencies concerned might usefully pool their experiences to work out a smooth and coordinated method for dealing with any future contingencies of this kind.

After the hostages' return, the employing agencies, as their representatives have stated before the Commission, made every effort to reintegrate the hostages into their careers without disadvantage. A substantial number were promoted, either during their captivity or after their return. Their individual preferences were carefully considered when making onward assignments and most received their first choice among available jobs. Leave was generously granted to both military and civilian hostages and all received a considerable psychic boost from the warmth of their reception by the American public.

In summary, it appeared to the Commission that the Executive Branch of the Government used every means at its disposal to assist the hostages and their families and that the Congress acted with promptness and imagination through the Hostage Relief Act in filling any legislative gaps which this unique situation revealed.

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CONCLUSIONS

It was the principal concern of the members of the Commission throughout their deliberations that the hostages be restored, to the extent that it was possible to do so, to a position in their lives and careers in which the effects of their captivity would not place them at a disadvantage. Most of the hostages were members of disciplined services, serving their country abroad in hazardous circumstances. Like soldiers, which some of them were, their government service entailed an acknowledged and accepted element of risk.

The Commission considered various bases under which direct financial benefits for the hostages might be warranted and concluded that monetary benefits, modeled after the statute providing similar payments to American prisoners of war and wartime civilian internees on account of their detention, would be appropriate.

The Commission also focused on the adequacy of existing measures to cover the cost of medical treatment for the hostages and their families and to reimburse them for the loss of their property in Iran and further reviewed the manner in which the hostages were being treated with regard to future assignments and promotion prospects.

Payment of Detention Benefits

In examining the matter of providing monetary benefits, the Commission carefully reviewed the provisions and the

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legislative history of the War Claims Act of 1948. This Act, with its successive amendments, provided benefits on account of detention to American prisoners of war and civilian internees in World War II and subsequent conflicts. Although the Act was not designed to cover hostage situations of the kind experienced in Iran, it nevertheless provided the closest precedent the Commission could discover to the situation it had been asked to consider. For example, the crew of the Pueblo, who were held in what was effectively hostage status by North Korea, received benefits under an amendment to this Act.

While the Commission acknowledges that there are obvious distinctions between POW's and civilian internees on the one hand and hostages on the other, it was also of the opinion that the holding of hostages by international terrorists and the well-documented tendency by some nations to disregard international standards for the treatment of prisoners of war and internees have brought the two situations much closer together. They have become sufficiently close in fact that the Commission did not find it necessary to define the distinctions for the purposes of its deliberations.

In examining the specific circumstances of the hostage taking in Iran, and in talking to the hostages themselves, it became apparent to the Commission that the treatment of the hostages varied greatly from one individual to

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another. Some were obviously singled out for particularly harsh treatment including severe physical abuse and long periods of solitary confinement in degrading circumstances. Some were never actually captured, but were hidden in the Canadian Embassy and in the homes of Canadian diplomats. Three were confined for more than a year in the Iranian Foreign Ministry in conditions amounting roughly to house arrest.

The Commission considered the possibility of attempting to adjust benefits to reflect the relative degree of trauma and suffering endured by the various hostages but was unable to find a reliable formula for measuring what was a subjective experience for each one. Furthermore, the Commission noted the request of the hostages themselves, as expressed by the Family Liaison Action Group (FLAG), that all of the hostages be treated alike. The Commission concluded that the most acceptable method, and one which had previously been used in the War Claims Act, would be to recommend a detention benefit for each hostage based on the number of days spent in captivity or hiding to avoid capture.

The Commission noted that the daily detention benefit payable to persons eligible under the War Claims Act was last adjusted upward in 1970 and now stands at $5.00 per day for prisoners of war. The Commission felt it proper to recommend that the President suggest to the Congress a further upward adjustment in this figure to $12.50 per day to take into account the impact of inflation since 1970.

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The Commission regards this suggested detention benefit as a recognition of the hardships suffered by the hostages in the service of their country. It does not represent a finding as to the extent of their sufferings and it is not intended to compensate the hostages for their injuries. As was the case with prisoners of war and internees, any cause of action would lie against the persons or nations which perpetrated the injury and the United States is not, by making an award, purporting to act for or stand as a surrogate for the persons whose tortious actions injured the hostages.

The Commission believes that the program of detention benefits it recommends should be paid through the existing mechanism of the Foreign Claims Settlement Commission, using the same procedures utilized for the payment of previous benefits under the War Claims Act. It recommends that the Congress enact an amendment to the Hostage Relief Act of 1980, modeled after the 1970 and 1976 amendments to the War Claims Act to cover the Vietnam conflict, which would define those eligible for detention benefits under the program and specify the amount per day payable to each. All members of the Commission, except Mrs. Harris, believe payments should be available only for the hostages themselves as they are identified in Title I of the Hostage Relief Act. They believe that the government has no obligation to make similar payments to private citizen hostages. Mrs. Harris believes

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there should be consideration of compensation for non-employee hostages where the taking and holding are for the purpose of bringing pressure on the United States Government. The Commission further concluded that the amendment to the Act should authorize the Claims Commission to apply standards the same as those adopted for adjudicating claims of prisoners of war and internees in Korea and Southeast Asia.

Medical and Other Benefits Recommended for the Iranian Hostages and Victims of Future Hostage-Takings

As an essential part of its overall approach to the question of hostage compensation, the Commission sought to determine what further measures might be adopted to ease the plight of hostages and their families both in the Iranian case and in any future instances which might arise. It reviewed the degree to which already existing legislation and regulations had been able to help the families of the hostages and examined carefully the Hostage Relief Act and the December 1980 amendment to the Military Personnel and Civilian Employees' Claims Act, both of which were devised specifically to deal with problems encountered by the Iranian hostages and their families. In the opinion of the Commission, which was based on its own studies as well as the statements of hostages and others who appeared before it, these legislative measures appear to have dealt very successfully with the most pressing

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problems. In the case of the Military Personnel and Civilian Employees' Claims Act, however, the Commission learned from statements received from returned hostages that the Act may not fully have achieved its intention to make whole the hostages and those in like situations by compensating them for property losses arising from evacuations ordered or recommended by the Secretary of State and from "acts of mob violence, terrorist attacks, or other hostile acts directed against the United States Government or its officers or employees...". The Commission finds that the Government has an obligation to compensate its employees fully for the documented value of personal property lost in a situation of this kind and is therefore recommending that the upper limit of claims under the 1980 amendment to the Act (PL 96-519) be raised to $50,000 and that the head of the employing agency be given special authority to exceed this amount in the case of claims which he or she personally determines involve the loss of property which it was appropriate and reasonable for the individual to have with him or her at the post of assignment and which there was no reasonable opportunity to remove from danger of loss. The Commission also found that dollar limits of specific categories of property lost were not being applied in a uniform manner by the various employing agencies and recommends that these

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sub-category limits, which appear somewhat arbitrary, be waived in the case of the Iranian hostages.

The Commission finds that the Hostage Relief Act of 1980 should be amended to make its various provisions applicable to any future hostage takings which may occur. The Commission believes that, with minor amendments which are discussed below, it would provide a mechanism which could be brought into play by the Secretary of State whenever a situation requiring its use arises in future.

The Commission is keenly aware of the serious traumas which some of the hostages suffered from the severe conditions of imprisonment and the physical and psychological mistreatment by their captors during very long periods of tension and uncertainty. It finds that the Government as their employer has an obligation to provide remedial attention and care to sustain the hostages as they continue in the development of their careers.

The Commission finds that there is some uncertainty about the continuing ability of foreign affairs agencies to pay medical expenses arising out of the Iranian or other hostage situations after the "hostage period" designated in Title I of the Hostage Relief Act expires on January 1, 1983. It is therefore recommending that this doubt be dispelled by amendment to the present legislation.

Since the medical problems connected with the hostage experience might prove so severe now or in the future as to

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cause actual disability, the Commission carefully reviewed the various disability compensation and disability retirement programs available to the hostages. The Commission received assurances that the members of the armed forces held hostage are eligible for disability benefits for any conditions arising out of their captivity. Civilian employees of the government are separately covered for disabilities arising out of their employment by the provisions of the Federal Employees Compensation Act (5 U.S.C. Chapter 81). The Commission wished to insure that the provisions of this Act would be held to apply to the case of the civilian employee hostages. The office of the Department of Labor, which administers the disability program, has stated to the Commission that the Iranian hostages meet the definitions of eligibility contained in Section 8102 of the Act. However, since the applicability of this Section to hostage situations has not been tested in the courts, the Commission recommends that the Hostage Relief Act be amended to stipulate that Section 8102 covers all the civilian government employees declared to be hostages.

The Commission finds that, in light of the likely traumatic effects resulting from an extended period of captivity as well as the particularly difficult circumstances endured by some of the former hostages, it is imperative to assure all of the individuals concerned an opportunity to seek appropriate psychological and psychiatric care at

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government expense, whether from government or non-government facilities. The Commission also considered that, in some circumstances, individual former hostages might be deterred from seeking outside care out of a concern that the fact and nature of their treatment, if revealed to their employing agencies, could possibly have an adverse impact on their future career assignments.

The Commission therefore recommends the adoption of appropriate administrative arrangements, in accordance with existing law, to permit the employing agencies to authorize the submission of claims for the payment of such care through a non-governmental intermediary in such a fashion that the nature of treatment for the employee receiving the care would not be revealed to the agency without that employee's consent. In cases of proposed assignments where legitimate medical or security clearance concerns established a requirement for access to such information, the employee would have to concur in that access if he wished to have the assignment.

The Commission was pleased to hear the evidence presented to it by the Departments of State and Defense that a substantial number of the hostages have received promotions, either while in captivity or since their return, and that all of those in the armed forces or Department of State received their first choice among available onward assignments. It also received specific assurances that their hostage

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experience would not be an impediment to career prospects either in the armed services or the Foreign Service.

Payments in the Nature of Compensatory Damages are Unwarranted

In considering the possibility of paying compensation other then the detention benefits mentioned earlier, the Commission first reviewed carefully both foreign and domestic precedents. A number of other countries have had diplomats kidnapped and held hostage but inquiries by our Embassies abroad revealed that none of them has any regular legislative or administrative program for the payment of compensation in such cases. All followed the practice of continuing salary payments, as does the United States, and a few granted cash bonuses for family expenses or extra leave on an ad hoc basis.

Additionally, the Department of Defense and the Department of State were asked for their official views on the question of whether compensation should be paid to the hostages. The Department of Defense opposed the idea and the Department of State took no position on the ground that the matter was for the Commission to decide.

Next, the Commission considered the varying attitudes expressed by a small sampling of hostages interviewed. While most would have welcomed the opportunity to collect damages from Iran and several had filed suits to do so, none specifically complained of the United States waiver

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of their rights to sue Iran in exchange for their freedom. One of the hostages eloquently wrote:

> "What the animals in Iran owe me is incalculable. I have stated publicly that President Reagan was kind to call them barbarians. What Iran put my family through and in like manner what they put the entire American public through is also incalculable. Somewhere down the line the day will most probably come when Iran and the United States will start to make moves to restore normal relations. I strongly feel that when that time comes, if I am still alive, that I and my fellow ex-hostages should be consulted and part of the price of restoring relations would be an attempt on the part of Iran to compensate us for the inhuman and animal-like treatment of diplomats who were guests in their country and who were supposed to be protected by the host country.
>
> "I am firmly convinced now that I am back here that the American public (the tax payer) got us out. The American people rose up in unison and in no uncertain terms made the message clear to Iran that it would be very dangerous to their national health to harm us. I see no reason to ask the tax payer to 'compensate' us for doing our job."

The view was expressed before the Commission by the Family Liaison Action Group's lawyer that the extinguishment of the hostages' rights of action had constituted a taking of a valuable property right for which the hostages were due compensation under the Fifth Amendment to the Constitution.

The Department of Justice advised the Commission that it has and will continue to maintain the position that the extinguishment of the hostages' rights of action against Iran in exchange for their release did not constitute, for purposes of the Fifth Amendment, a taking for which the

Government would be liable to pay compensation. The Department of Justice stated that no taking is considered to have occurred for the following reasons: (1) the President had statutory and constitutional authority to settle the potential hostage claims; (2) the hostages could not establish for purposes of a taking claim that they suffered an actual uncompensated loss since (a) their claims were settled for considerable value, i.e., their release, and (b) their right of action against Iran was of dubious value because of the unlikelihood that the U.S. courts would have been available as a forum in which to sue Iran in light of certain provisions of the Foreign Sovereign Immunities Act.

The Commission found this argument persuasive on both moral and legal grounds and therefore concluded that the United States Government was not obligated to pay hostage compensation which was intended to be the equivalent of compensatory damages in the tort sense. The Commission recommends that the Government view its obligations toward the hostages as those of an employer and assume the costs of restoring the hostages to health, provide disability compensation if their health cannot be restored, provide compensation for material losses and safeguard their employment rights and career prospects.

Status of Civilian Hostages

The Commission examined carefully the case of the one private citizen who was taken captive and held throughout

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the entire 444 days. It noted that he was, for all intents and purposes, considered by the Iranian captors as being in the same category as the other hostages. The Commission considered what the responsibility of the U.S. Government should be toward an individual in this situation both from a general foreign policy point of view and in the narrower perspective of the obligations of an employer to his employee which applied in the case of the official hostages. It was noted that Congress had made a clear distinction between the private American hostage and public official hostages in the Hostage Relief Act of 1980 by providing only the tax relief benefits of Title II to the private citizen while making the government employees eligible for the other benefits stipulated in Title I of the Act as well.

The Commission finds that the Government has a general responsibility to protect and assist its citizens traveling abroad and to warn them of possible dangers inherent in travel to specified countries or places. Warnings were, in fact, issued against travel to Iran and were in effect in November, 1979. There can be little doubt, moreover, that the U.S. Government used every good faith effort to obtain the release of the private citizen hostage along with the others taken captive. It is the view of all of the Commissioners, except Mrs. Harris, that the U.S. Government has no legal or moral responsibility to pay compensation to private citizens taken hostage abroad, particularly in circumstances where

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warnings against travel in the area had been issued. Having noted that some benefits in the nature of compensation were extended to a private citizen in this instance by act of Congress, the Commission believes and has recommended that the Government, in both its legislative and executive branches, should give further study to the question of the policy to be adopted toward private citizens in these circumstances and develop an agreed position on the matter.

RECOMMENDATIONS

The Commission was unanimous in adopting the following recommendations except for the reservation of one Commissioner noted in the text of the report.

Recommendation 1

The Commission recommends that legislation be adopted to provide for the payment of tax-exempt detention benefits (similar to those given to Vietnam POW's and interned civilians in Vietnam and to the crew of the Pueblo) to those military and civilian employees of the United States Government held in captive status in Iran at any time between November 4, 1979 and January 21, 1981, in the amount of $12.50 per day for each day of captivity. It further recommends that the legislation be drafted to provide the same benefit to other Americans designated to have been placed in captive status during

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that hostage period in accordance with Section 101 of the Hostage Relief Act.

The Commission specifically recommends that such legislation be in the form of an additional title to an amended Hostage Relief Act providing separate authority for the administration of a hostage detention benefit program by the Foreign Claims Settlement Commission in a manner consistent with the standards applicable to the Vietnam conflict detention benefits programs administered under the War Claims Act of 1948.

Recommendation 2

The Commission recommends that Section 9 of the Military Personnel and Civilian Employees' Claims Act be amended to provide:

(a) an increase in the maximum payment allowable on claims for damage to or loss of personal property under Section 9(a) from $40,000 to $50,000; and

(b) discretionary authority for the head of any agency authorized to settle claims under that Act to exceed that maximum amount in the case of claims from persons declared to be in a captive status under Section 101 of the Hostage Relief Act of 1980 for losses incurred in connection with their having been held captive. This discretionary authority would not be subject to delegation but would require the personal decision of the head of the appropriate agency.

The Commission also recommends that the President should prescribe policies to ensure the uniform implementation of

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Section 9 of the Act by the co. erned agencies in respect of such claims, including uniform and flexible application of any limits as to sub-categories of property. Such category limits currently appear arbitrary. Therefore in the case of claims from Iranian hostages they should be waived.

Recommendation 3

The Commission recommends that the Hostage Relief Act of 1980 be amended to provide explicitly that payment for medical and health benefits and other expenses relating to such care incident to the hostages' detention in Iran as defined in Section 103 of the Act, is authorized without time limit.

Recommendation 4

The Commission recommends that all of those hostages who are described in Section 101 of the Hostage Relief Act and are covered by the Federal Employee's Compensation Program or the Military Disability Retirement System shall have all present or future disabilities incident to their having been hostage considered to be injuries sustained while in the performance of duty. To remove any doubt on this subject, the Commission recommends that the Hostage Relief Act be amended to so provide.

Recommendation 5

The Commission recommends that the United States Government make no payment to the Iranian hostages or their family members of any compensation intended to be the equivalent to

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compensatory damages for injuries incurred as the result of the unlawful detention of the hostages by the Iranian Government.

Recommendation 6

The Commission recommends that the Hostage Relief Act of 1980 be made permanent insofar as it applies to government employees and contractors of the U.S. Government and that it be amended to apply to future hostage situations. Further that it authorize the Secretary of State to identify, by publication in the Federal Register, the initial and terminal dates of any future hostage periods as that term is defined in the Act.

Recommendation 7

The Commission recommends that, to enable individual former hostages to avail themselves of outside non-governmental psychological and psychiatric care at government expense without undue concern over possible adverse impacts on their careers, the concerned agencies should adopt appropriate arrangements permitting non-governmental intermediaries to receive and authorize payment for such care without disclosing the nature of treatment for the individual receiving such care unless the individual so consents.

Recommendation 8

The Commission recommends that the Federal Government consider as a matter of policy the question of its responsibility towards private American citizens who may be taken hostage in the future.

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